



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,

Plaintiff,

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

CERTIFICATION OF LOCATION  
I hereby certify that the location of the  
real estate affected by this lien is

Sandy Township

I hereby certify the address of the  
Plaintiff is:

43 South Ninth Street  
Indiana, PA 15701

and the Defendants is:

2613 Behringer Highway  
Reynoldsville, PA 15851

To Defendants  
You are hereby notified to Plead to the  
enclosed Complaint within twenty (20)  
days from service hereof or a Default  
Judgment may be entered against you.

John McElroy  
Attorney for Plaintiff

\$8,000.00

) CIVIL DIVISION

)

) NO.: 06-1714-CD

)

)

) ISSUE NO.:

)

) TYPE OF PLEADING

)

) CIVIL ACTION - COMPLAINT

) IN MORTGAGE FORECLOSURE

)

) CODE -

)

) FILED ON BEHALF OF:

)

) S&T BANK, Plaintiff

)

)

) COUNSEL OF RECORD FOR THIS  
PARTY:

)

) John N. McElroy

) Pa. I.D. #87529

)

)

) GRENN & BIRSIC, P.C.

)

)

) One Gateway Center, Ninth Floor

) Pittsburgh, PA 15222

)

) (412) 281-7650

January 5, 2007 Document  
Reinstated/Reissued to Sheriff/Attorney  
for service.

William A. Shaw  
Deputy Prothonotary

FILED Att'y pd. \$5.00  
m/1:38 PM  
OCT 19 2006  
2cc Sheriff

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.:

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

**NOTICE TO DEFEND**

You have been sued in court. If you wish to defend against the claim 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.

DAVID S. MEHOLICK, COURT ADMINISTRATOR  
Clearfield County Courthouse  
Clearfield, Pennsylvania 16830  
(814) 765-2641 Ext. 5982

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.:

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

CIVIL ACTION - COMPLAINT IN MORTGAGE FORECLOSURE

S&T Bank, by its attorneys, Grenen & Birsic, P.C., files this Complaint in Mortgage Foreclosure as follows:

1. The Plaintiff is S&T Bank, which has its principal place of business at 43 South Ninth Street, Indiana, Pennsylvania 15701.
2. Defendants, Timothy M. Novak and Virginia L. Novak, are individuals whose last known address is 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851.
3. On or about November 10, 2004, Scenic View Family Recreation Center, Inc., executed a Promissory Note in favor of Plaintiff in the original principal amount of \$88,000.00 ("Note"). A true and correct copy of said Note is marked Exhibit "A", attached hereto and made a part hereof.
4. On or about November 10, 2004, as security for payment of the aforesaid Note, Defendants made, executed and delivered to Plaintiff a Mortgage in the original principal amount of \$88,000.00 on the premises hereinafter described, said Mortgage being recorded in the Office of the Recorder of Deeds of Clearfield County on November 11, 2004, in Instrument Number

200418359. A true and correct copy of said Mortgage containing a description of the premises subject to said Mortgage is marked Exhibit "B", attached hereto and made a part hereof.

5. Defendants are the record and real owners of the aforesaid mortgaged premises.

6. Defendants are in default under the terms of the aforesaid Mortgage and Note as modified for, inter alia, failure to pay the monthly installments of principal and interest on said Note when due and upon demand.

7. Plaintiff was not required to send Defendants written notice pursuant to 35 P.S. §1680.403C (Homeowner's Emergency Mortgage Assistance Act of 1983 - Act 91 of 1983) prior to the commencement of this action for the reasons that:

(a) the mortgaged premises is not the principal residence of the Defendants [35 P.S. §1680.401(a) (1)]; and

(b) the mortgaged premises is not a one or two family owner-occupied residence [35 P.S. §1680.401C(a) (2)].

8. Plaintiff was not required to send Defendants written notice of Plaintiff's intention to foreclose said Mortgage pursuant to 41 P.S. §403 (Act 6 of 1974) prior to the commencement of this action for the reasons that:

(a) said Mortgage is not a "residential mortgage" as defined in 41 P.S. §101;

(b) the Defendants are not "residential mortgage debtors" as defined in 41 P.S. §101;

and

(c) the mortgaged premises is not "residential real property" as defined in 41 P.S. §101.

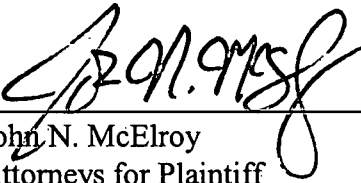
9. The amount due and owing Plaintiff is as follows:

Principal	\$67,189.23
Interest to 10/2/06	\$ 1,058.29
Late Charges to 10/2/06	\$ 299.08
Unpaid fees	\$ 760.08
Mortgage Foreclosure Attorneys' fees	\$ 1,000.00
Title Search, Foreclosure and Execution Costs	\$ <u>2,750.00</u>
TOTAL	\$73,056.68

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of \$73,056.68, with interest thereon at the rate of \$14.29 per diem from October 2, 2006, and additional late charges, additional reasonable and actually incurred attorneys' fees, plus costs and for foreclosure and sale of the mortgaged premises.

GRENNEN & BIRSIC, P.C.

BY:

  
\_\_\_\_\_  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center  
Ninth Floor  
Pittsburgh, PA 15222  
Pa. I.D. #87529

(412) 281-7650

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

Exhibit "A"



## PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$88,000.00	11-10-2004	11-11-2010	2000107074-200	CH	00000646083	713	
References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** Scenic View Family Recreation Center, Inc.  
28 Division St  
DuBois, PA 15801-2520

**Lender:** S&T BANK  
Commercial Lending  
PO Box 190  
Indiana, PA 15701  
(724) 349-1800

**Principal Amount:** \$88,000.00

**Interest Rate:** 6.790%

**Date of Note:** November 10, 2004

**PROMISE TO PAY.** Scenic View Family Recreation Center, Inc. ("Borrower") promises to pay to S&T BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Eighty-eight Thousand & 00/100 Dollars (\$88,000.00), together with interest at the rate of 6.790% per annum on the unpaid principal balance from November 11, 2004, until "Change Date".

**PAYMENT.** Borrower will pay this loan in accordance with the following payment schedule:

The term of this Note shall be 72 months. The outstanding principal balance and the accrued and unpaid interest shall be repaid in 72 consecutive monthly payments of principal including interest, based on a 6 year amortization schedule. The first 60 payments of principal including interest shall be in the amount of \$1,495.37 and shall commence on December 11, 2004 and continue on the 11th day of each consecutive month thereafter, with the monthly principal including interest payment to be adjusted on November 11, 2009 (hereinafter referred to as the "Change Date") in accordance with any adjustment in the interest rate such that the loan will continue to amortize at the 6 year amortization schedule over the balance of the months remaining in the term, with all outstanding principal, accrued and unpaid interest and all other sums due and owing under the terms of this Note to be immediately due and payable in full, unless sooner paid, on November 11, 2010. Interest shall accrue during the 60 month period commencing from the date of this Note to and including November 10, 2009 at a fixed rate of 6.790% per annum and for the twelve (12) month period thereafter, commencing on the Change Date at a fixed rate equal to the index, as determined on the Change Date plus 2.750% per annum. The index shall mean the weekly average yield of the five (5) year Fixed-Rate Credit (adding the daily Fixed-Rate Credit yields and dividing by 5), as is published and released in the Federal Home Loan Bank of Pittsburgh Weekly Financial Summary on the Friday on which the Change Date falls or if the Change Date does not fall on a Friday by using the publication most recently published immediately prior to such Change Date. If for any reason, the index is not available, the index shall mean such other index as Lender shall choose from time to time, which index shall have as closely as possible a historical movement substantially similar to the original index. Lender will inform Borrower of the new index upon Borrower's request.

Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. The annual interest rate for this Note is computed on a 365/360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**PREPAYMENT.** Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: S&T Bank, Loan Servicing Center, PO Box 469 Indiana, PA 15701.

**LATE CHARGE.** If a payment is 16 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment or \$20.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, Lender, at its option, may, if permitted under applicable law, increase the interest rate on this Note 3.000 percentage points. The interest rate will not exceed the maximum rate permitted by applicable law. If judgment is entered in connection with this Note, interest will continue to accrue on this Note after judgment at the existing interest rate provided for in this Note.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Insolvency.** The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan.



**PROMISSORY NOTE  
(Continued)**

This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Change in Ownership.** Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**LENDER'S RIGHTS.** Upon default, Lender may, after giving such notices as required by applicable law, declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Note will be governed by, construed and enforced in accordance with federal law and the laws of the Commonwealth of Pennsylvania. This Note has been accepted by Lender in the Commonwealth of Pennsylvania.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Clearfield County, Commonwealth of Pennsylvania.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

**PRIOR NOTE.** In addition to new funds, this Note is a refinancing of the promissory Note in the original principal amount of \$68,000.00 from Scenic View Family Recreation Center, Inc. to S&T Bank dated July 21, 2003 and the promissory Note in the original principal amount of \$20,000.00 from Scenic View Family Recreation Center, Inc. to S&T Bank dated November 14, 2003.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**GENERAL PROVISIONS.** Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several. If any portion of this Note is for any reason determined to be unenforceable, it will not affect the enforceability of any other provisions of this Note.

**CONFESSION OF JUDGMENT.** BORROWER HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR THE PROTHONOTARY OR CLERK OF ANY COURT IN THE COMMONWEALTH OF PENNSYLVANIA, OR ELSEWHERE, TO APPEAR AT ANY TIME FOR BORROWER AFTER A DEFAULT UNDER THIS NOTE AND WITH OR WITHOUT COMPLAINT FILED, CONFESS OR ENTER JUDGMENT AGAINST BORROWER FOR THE ENTIRE PRINCIPAL BALANCE OF THIS NOTE AND ALL ACCRUED INTEREST, LATE CHARGES AND ANY AND ALL AMOUNTS EXPENDED OR ADVANCED BY LENDER RELATING TO ANY COLLATERAL SECURING THIS NOTE, TOGETHER WITH COSTS OF SUIT, AND AN ATTORNEY'S COMMISSION OF TEN PERCENT (10%) OF THE UNPAID PRINCIPAL BALANCE AND ACCRUED INTEREST FOR COLLECTION, BUT IN ANY EVENT NOT LESS THAN FIVE HUNDRED DOLLARS (\$500) ON WHICH JUDGMENT OR JUDGMENTS ONE OR MORE EXECUTIONS MAY ISSUE IMMEDIATELY; AND FOR SO DOING, THIS NOTE OR A COPY OF THIS NOTE VERIFIED BY AFFIDAVIT SHALL BE SUFFICIENT WARRANT. THE AUTHORITY GRANTED IN THIS NOTE TO CONFESS JUDGMENT AGAINST BORROWER SHALL NOT BE EXHAUSTED BY ANY EXERCISE OF THAT AUTHORITY, BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL PAYMENT IN FULL OF ALL AMOUNTS DUE UNDER THIS NOTE. BORROWER HEREBY WAIVES ANY RIGHT BORROWER MAY HAVE TO NOTICE OR TO A HEARING IN CONNECTION WITH ANY SUCH CONFESSION OF JUDGMENT AND STATES THAT EITHER A REPRESENTATIVE OF LENDER SPECIFICALLY CALLED THIS CONFESSION OF JUDGMENT PROVISION TO BORROWER'S ATTENTION OR BORROWER HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL.

PROMISSORY NOTE  
(Continued)

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

THIS NOTE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS NOTE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.

BORROWER:

SCENIC VIEW FAMILY RECREATION CENTER, INC.

By: Virginia L Novak (Seal)  
Virginia L. Novak, President of Scenic View Family  
Recreation Center, Inc.

By: Timothy M. Novak (Seal)  
Timothy M. Novak, Secretary/Treasurer of Scenic  
View Family Recreation Center, Inc.

Exhibit "B"

# CLEARFIELD COUNTY RECORDER OF DEEDS

Karen L. Starck, Recorder  
Maurene Inlow - Chief Deputy

P.O. Box 361  
1 North Second Street, Suite 103  
Clearfield, Pennsylvania 16830

**\*RETURN DOCUMENT TO:**

S & T BANK

Instrument Number - 200418359  
Recorded On 11/12/2004 At 9:18:03 AM  
\* Instrument Type - MORTGAGE  
\* Total Pages - 13  
Invoice Number - 120552  
\* Mortgagor - NOVAK, TIMOTHY M  
\* Mortgagee - S & T BANK  
\* Customer - S & T BANK

Scenic View Family  
Timothy & Virginia Novak - Grantors  
CL 2000107074-200  
\$38,000

Rte 322 & Thunderbird Rd,  
Reynoldsville, PA

**\* FEES**

STATE WRIT TAX	\$0.50
JCS/ACCESS TO JUSTICE	\$10.00
RECORDING FEES -	\$29.00
RECORDER	
RECORDER IMPROVEMENT	\$3.00
FUND	
COUNTY IMPROVEMENT FUND	\$2.00
TOTAL	\$44.50

I hereby CERTIFY that this document  
is recorded in the Recorder's Office of  
Clearfield County, Pennsylvania.



*Karen L. Starck*

Karen L. Starck  
Recorder of Deeds

THIS IS A CERTIFICATION PAGE.

## Do Not Detach

THIS PAGE IS NOW PART OF THIS LEGAL DOCUMENT

\* - Information denoted by an asterisk may change during the verification process and may not be reflected on this page.

RECORDATION  
REQUESTED BY:  
S&T BANK  
Commercial Lending  
PO Box 190  
Indiana, PA 15701

WHEN RECORDED MAIL  
TO:  
S&T Bank  
355 N 5th St  
Indiana, PA 15701

FOR RECORDER'S USE ONLY



### MORTGAGE

THIS MORTGAGE dated November 10, 2004, is made and executed between Timothy M. Novak and Virginia L. Novak, husband and wife, whose address is 28 Division St, DuBois, PA 15801-2520 (referred to below as "Grantor") and S&T BANK, whose address is PO Box 190, Indiana, PA 15701 (referred to below as "Lender").

**GRANT OF MORTGAGE.** For valuable consideration, Grantor grants, bargains, sells, conveys, assigns, transfers, releases, confirms and mortgages to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all streets, lanes, alleys, passages, and ways; all easements, rights of way, all liberties, privileges, tenements, hereditaments, and appurtenances thereunto belonging or anywise made appurtenant hereafter, and the reversions and remainders with respect thereto; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Clearfield County, Commonwealth of Pennsylvania:

Parcel Number 128-A04-000-00011

ALL that certain piece or parcel of land situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a stone marker being the southwest corner of herein described parcel and along the Jefferson and Clearfield County line, thence along said county line North 5 degrees 15 minutes 15 minutes 30 seconds East 1348.07 feet to an iron pin; thence along lands of which this was a part South 44 degrees 9 minutes 10 seconds East 610.0 feet to an iron pin; thence North 42 degrees 22 minutes 50 seconds East 170.0 feet to an iron pin; thence North 13 degrees 45 minutes 50 seconds East 975.10 feet to a point in State Highway route 322; thence by said highway South 81 degrees 40 minutes East 223.34 feet to a point; thence along lands of A. Johnston South 5 degrees 15 minutes 30 seconds West 2014.2 feet to a concrete marker; thence along lands of G. Walls North 86 degrees 16 minutes West 933.38 feet to the point of beginning.

CONTAINING 30.0 Acres

EXCEPTING AND RESERVING whatever reservations and exceptions that were contained in prior deeds.

FURTHER EXCEPTING AND RESERVING unto William I. Johnston et al, their heirs and assigns, the right and liberty at all times hereafter of using water from the well on the granted premises; with liberty from time to time with workmen to enter upon the land and to repair, cleanse, and maintain the well and the pipes leading therefrom to premises in Winslow Township, Jefferson County, Pennsylvania, described in deed from Iren I.

*Instrument # 200418359*

**MORTGAGE  
(Continued)**

Loan No: 2000107074-200

Page 2

Johnston to William Ivan Johnston et al., dated March 27, 1979, and recorded in Jefferson County Deed Book 455 at page 930.

BEING the same premises conveyed to Timothy M. Novak and Virginia L. Novak, husband and wife, by deed of Timothy M. Novak and Virginia L. Novak, husband and wife, dated July 21, 2003, and recorded in the Office of Recorder of Deeds in and for Clearfield County, Pennsylvania as Instrument No. 200313088.

**Parcel Number 128-A04-000-00200**

ALL that certain piece or parcel of land situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a iron pin being the southwest corner of herein described parcel and along the Jefferson and Clearfield County line; thence along said county line North 5 degrees 15 minutes 30 seconds East 799.63 feet to a point in State Highway Route 322; thence by said highway South 76 degrees 43 minutes 40 seconds East 676.76 feet to a point, thence continuing along said highway South 81 degrees 32 minutes East 39.96 feet to a point; thence through the larger tract of which this was a part South 13 degrees 45 minutes 50 seconds West 975.10 feet to an iron pin; thence South 42 degrees 22 minutes 50 seconds West 170.0 to an iron pin; thence North 44 degrees 9 minutes 10 seconds West 610.0 feet to point of beginning.

CONTAINING 14.4 Acres

WATER RIGHTS: The parties of the first part grant unto the parties of the second part, heirs and assigns, the right to use the waters from a certain spring situated on the larger parcel of which this was a part of.

EXCEPTING AND RESERVING whatever reservations and exceptions that were contained in prior deeds.

FURTHER EXCEPTING AND RESERVING unto William I. Johnston et al, their heirs and assigns, the right and liberty at all times hereafter of using water from the well on the granted premises; with liberty from time to time with workmen to enter upon the land and to repair, cleanse, and maintain the well and the pipes leading therefrom to premises in Winslow Township, Jefferson County, Pennsylvania, described in deed from Iren I. Johnston to William Ivan Johnston et al., dated March 27, 1979, and recorded in Jefferson County Deed Book 455 at page 930.

BEING the same premises conveyed to Timothy M. Novak and Virginia L. Novak, husband and wife, by deed of Timothy M. Novak and Virginia L. Novak, husband and wife, dated July 21, 2003, and recorded in the Office of Recorder of Deeds in and for Clearfield County, Pennsylvania as Instrument No. 200313089.

The Real Property or its address is commonly known as Rte 322 & Thunderbird Rd, Reynoldsville, PA 15851. The Real Property parcel identification number is 128-A04-000-00011 and 128-A04-000-00200.

CROSS-COLLATERALIZATION. In addition to the Note, this Mortgage secures all obligations, debts and liabilities, plus interest thereon, of Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated whether Borrower or Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE IN THE ORIGINAL PRINCIPAL AMOUNT OF \$88,000.00, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency"

law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

**GRANTOR'S REPRESENTATIONS AND WARRANTIES.** Grantor warrants that: (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property; (c) the provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all Borrower's and Grantor's obligations under this Mortgage.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

**Possession and Use.** Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

**Duty to Maintain.** Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Compliance With Environmental Laws.** Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

**Nuisance, Waste.** Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

**Removal of Improvements.** Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

**Lender's Right to Enter.** Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

**Compliance with Governmental Requirements.** Grantor shall promptly comply with all laws, ordinances, and

regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

**Duty to Protect.** Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

**DUE ON SALE - CONSENT BY LENDER.** Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Pennsylvania law.

**TAXES AND LIENS.** The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

**Payment.** Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for the Existing Indebtedness referred to in this Mortgage or those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

**Right to Contest.** Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

**Evidence of Payment.** Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

**Notice of Construction.** Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds \$5,000.00. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

**PROPERTY DAMAGE INSURANCE.** The following provisions relating to insuring the Property are a part of this Mortgage:

**Maintenance of Insurance.** Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of fifteen (15) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of



Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

**Application of Proceeds.** Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$5,000.00. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

**Compliance with Existing Indebtedness.** During the period in which any Existing Indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such Existing Indebtedness shall constitute compliance with the insurance provisions under this Mortgage, to the extent compliance with the terms of this Mortgage would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loss, the provisions in this Mortgage for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

**LENDER'S EXPENDITURES.** If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to comply with any obligation to maintain Existing Indebtedness in good standing as required below, or to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default. Grantor's obligation to Lender for all such expenses shall survive the entry of any mortgage foreclosure judgment.

**WARRANTY; DEFENSE OF TITLE.** The following provisions relating to ownership of the Property are a part of this Mortgage:

**Title.** Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

**Defense of Title.** Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

**Compliance With Laws.** Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Grantor in

this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full.

**EXISTING INDEBTEDNESS.** The following provisions concerning Existing Indebtedness are a part of this Mortgage:

**Existing Lien.** The lien of this Mortgage securing the Indebtedness may be secondary and inferior to an existing lien. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

**No Modification.** Grantor shall not enter into any agreement with the holder of any mortgage or other security agreement which has priority over this Mortgage by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.

**CONDEMNATION.** The following provisions relating to condemnation proceedings are a part of this Mortgage:

**Proceedings.** If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

**Application of Net Proceeds.** If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all actual costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

**IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.** The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

**Current Taxes, Fees and Charges.** Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

**Taxes.** The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

**Subsequent Taxes.** If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

**SECURITY AGREEMENT; FINANCING STATEMENTS.** The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

**Security Agreement.** This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

**Security Interest.** Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

**Addresses.** The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained each as required by the Uniform

Commercial Code) are as stated on the first page of this Mortgage.

**FURTHER ASSURANCES; ADDITIONAL AUTHORIZATIONS.** The following provisions relating to further assurances and additional authorizations are a part of this Mortgage:

**Further Assurances.** At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

**Additional Authorizations.** If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably authorizes Lender to make, execute, deliver, file, record and do all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph. It is understood that nothing set forth herein shall require Lender to take any such actions.

**FULL PERFORMANCE.** If Borrower pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

**EVENTS OF DEFAULT.** Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

**Payment Default.** Borrower fails to make any payment when due under the Indebtedness.

**Default on Other Payments.** Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

**Other Defaults.** Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

**Default in Favor of Third Parties.** Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's or any Grantor's property or Borrower's ability to repay the Indebtedness or Borrower's or Grantor's ability to perform their respective obligations under this Mortgage or any related document.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Death or Insolvency.** The dissolution or termination of Borrower's or Grantor's existence as a going business, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the

dispute.

**Existing Indebtedness.** The payment of any installment of principal or any interest on the Existing Indebtedness is not made within the time required by the promissory note evidencing such indebtedness, or a default occurs under the instrument securing such indebtedness and is not cured during any applicable grace period in such instrument, or any suit or other action is commenced to foreclose any existing lien on the Property.

**Breach of Other Agreement.** Any breach by Borrower or Grantor under the terms of any other agreement between Borrower or Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Borrower or Grantor to Lender, whether existing now or later.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**Adverse Change.** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**RIGHTS AND REMEDIES ON DEFAULT.** Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

**Accelerate Indebtedness.** Lender shall have the right at its option, after giving such notices as required by applicable law, to declare the entire Indebtedness immediately due and payable.

**UCC Remedies.** With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

**Collect Rents.** Lender shall have the right, without notice to Borrower or Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably authorizes Lender to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Appoint Receiver.** Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Judicial Foreclosure.** Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

**Possession of the Property.** For the purpose of procuring possession of the Property, Grantor hereby authorizes and empowers any attorney of any court of record in the Commonwealth of Pennsylvania or elsewhere, as attorney for Lender and all persons claiming under or through Lender, to sign an agreement for entering in any competent court an amicable action in ejectment for possession of the Property and to appear for and confess judgment against Grantor, and against all persons claiming under or through Grantor, for the recovery by Lender of possession of the Property, without any stay of execution, for which this Mortgage, or a copy of this Mortgage verified by affidavit, shall be a sufficient warrant; and thereupon a writ of possession may be issued forthwith, without any prior writ or proceeding whatsoever.

**Nonjudicial Sale.** If permitted by applicable law, Lender may foreclose Grantor's interest in all or in any part of the Personal Property or the Real Property by non-judicial sale.

**Deficiency Judgment.** Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

**Tenancy at Sufferance.** If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1)

pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

**Other Remedies.** Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

**Sale of the Property.** To the extent permitted by applicable law, Borrower and Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

**Notice of Sale.** Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Unless otherwise required by applicable law, reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

**Election of Remedies.** Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or Borrower and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the indebtedness.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

**NOTICES.** Unless otherwise provided by applicable law, any notice required to be given under this Mortgage shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided by applicable law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Mortgage:

**Amendments.** This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Annual Reports.** If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

**Caption Headings.** Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

**Governing Law.** This Mortgage will be governed by, construed and enforced in accordance with federal law and the laws of the Commonwealth of Pennsylvania. This Mortgage has been accepted by Lender in the Commonwealth of Pennsylvania.

**Choice of Venue.** If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the

courts of Clearfield County, Commonwealth of Pennsylvania.

**Joint and Several Liability.** All obligations of Borrower and Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Borrower and Grantor signing below is responsible for all obligations in this Mortgage.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Severability.** If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

**Merger.** There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Successor Interests.** The terms of this Mortgage shall be binding upon Grantor, and upon Grantor's heirs, personal representatives, successors, and assigns, and shall be enforceable by Lender and its successors and assigns.

**Time is of the Essence.** Time is of the essence in the performance of this Mortgage.

**Waive Jury.** All parties to this Mortgage hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Borrower.** The word "Borrower" means Scenic View Family Recreation Center, Inc. and includes all co-signers and co-makers signing the Note.

**Default.** The word "Default" means the Default set forth in this Mortgage in the section titled "Default".

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

**Existing Indebtedness.** The words "Existing Indebtedness" mean the indebtedness described in the Existing Liens provision of this Mortgage.

**Grantor.** The word "Grantor" means Timothy M. Novak and Virginia L. Novak.

**Guarantor.** The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

**Guaranty.** The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity,

concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

**Improvements.** The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

**Indebtedness.** The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage. Specifically, without limitation, Indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Mortgage.

**Lender.** The word "Lender" means S&T BANK, its successors and assigns.

**Mortgage.** The word "Mortgage" means this Mortgage between Grantor and Lender.

**Note.** The word "Note" means the promissory note dated November 10, 2004, in the original principal amount of \$88,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

**Personal Property.** The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

**Property.** The word "Property" means collectively the Real Property and the Personal Property.

**Real Property.** The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

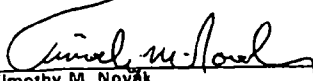
**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

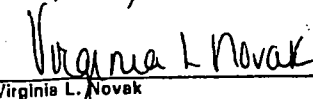
**Rents.** The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

**EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH GRANTOR AGREES TO ITS TERMS.**

**THIS MORTGAGE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS MORTGAGE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.**

GRANTOR:

x  (Seal)  
Timothy M. Novak

x  (Seal)  
Virginia L. Novak

CERTIFICATE OF RESIDENCE

I hereby certify, that the precise address of the mortgagee, S&T BANK, herein is as follows:  
Commercial Lending, PO Box 190, Indiana, PA 15701

*RM Banon*  
Attorney or Agent for Mortgagee

INDIVIDUAL ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF

*Clearfield*

SS

On this, the *10<sup>th</sup>* day of *November*, 20 *04*, before me *Penny D. Orcutt*, the undersigned Notary Public, personally appeared Timothy M. Novak and Virginia L. Novak, known to me (or satisfactorily proven) to be the person whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

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

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal  
Penny D. Orcutt, Notary Public  
City of DuBois, Clearfield County  
My Commission Expires Nov. 13, 2007

Notary Public in and for the State of

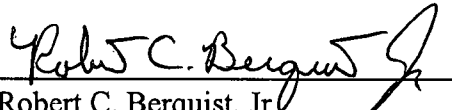
*P.A.*

Member, Pennsylvania Association of Notaries



VERIFICATION

Robert C. Berquist, Jr., Vice President, and duly authorized representative of S&T Bank, deposes and says subject to the penalties of 18 Pa. C.S.A. §4904 relating to unsworn falsification to authorities that the facts set forth in the foregoing Complaint in Mortgage Foreclosure are true and correct to his information and belief.

  
Robert C. Berquist, Jr.  
Vice President  
S&T Bank

CPA

Plaintiff,

TIMOTHY M. NOVAK and VIRGINIA  
L. NOVAK,

**Defendants.**

) CIVIL DIVISION  
)  
) No.: 06-1714-CD  
)  
) ISSUE NUMBER:  
)  
) TYPE OF PLEADING:  
)  
) MOTION FOR SERVICE OF COMPLAINT IN  
) MORTGAGE FORECLOSURE PURSUANT  
) TO SPECIAL ORDER OF COURT AND  
) ORDER OF COURT  
)  
) CODE -  
)  
) FILED ON BEHALF OF:  
)  
) S&T BANK, Plaintiff  
)  
)  
)  
) COUNSEL OF RECORD FOR THIS  
) PARTY:  
)  
) John N. McElroy  
) Pa. I.D.#87529  
)  
)  
)  
)  
) GRENN & BIRSIC, P.C.  
) One Gateway Center, Ninth Floor  
) Pittsburgh, PA 15222  
)  
) (412) 281-7650

FILED 1 CC AKY  
M/2:01 am McElroy  
DEC 07 2006

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

No.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

MOTION FOR SERVICE OF COMPLAINT IN MORTGAGE FORECLOSURE  
PURSUANT TO SPECIAL ORDER OF COURT

Plaintiff, S&T Bank, by and through its attorneys, GRENN & BIRSIC, P.C., files the within Motion for Service of the Complaint in Mortgage Foreclosure Pursuant to Special Order of Court under Pennsylvania Rule of Civil Procedure 430 as follows:

1. On or about October 19, 2006, Plaintiff filed a Civil Action - Complaint in Mortgage Foreclosure against the Defendants, Timothy M. Novak and Virginia L. Novak, at the above-captioned number and term.

2. Plaintiff delivered to the Sheriff of Clearfield County a copy of the Civil Action - Complaint in Mortgage Foreclosure filed by Plaintiff at the above-captioned number and term along with Sheriff directions requesting that Defendants be served copies of the Complaint at their last known address being 2613 Behringer Highway, Reynoldsville, PA 15851. True and correct copies of the Directions to Sheriff are marked Exhibit "A", attached hereto and made a part hereof.

3. On or about November 2, 2006, the Clearfield County Sheriff's Office advised that attempts were made to serve Defendants with a copy of the Complaint at their last known address being 2613 Behringer Highway, Reynoldsville, PA 15851 but Defendants are never there and the Deputy attempted to leave a voice message on Defendants phone but the mailbox is full.

4. An Affidavit of the Plaintiff stating the nature and extent of the investigation which has been made to determine the whereabouts of Defendants and the reasons why service of the Complaint cannot be made by personal service mail, is marked Exhibit "B", attached hereto and made a part hereof.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court permit the Plaintiff to serve Defendants, Timothy M. Novak and Virginia L. Novak, by mailing a true and correct copy of the Complaint in Mortgage Foreclosure by certified mail, return receipt requested, restricted delivery and by first class mail, postage pre-paid to Timothy M. Novak and Virginia L. Novak at 2613 Behringer Highway, Reynoldsville, PA 15851 and by directing the Sheriff of Clearfield County to post the property at 2613 Behringer Highway, Reynoldsville, PA 15851. Service of the Complaint shall be deemed complete and valid upon mailing by the Plaintiff and posting by the Sheriff.

GRENN & BIRSIC, P.C.

BY:

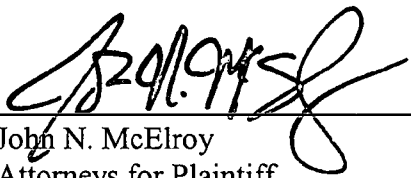
  
\_\_\_\_\_  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center-Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

Exhibit "A"

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.:

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

SHERIFF DIRECTIONS

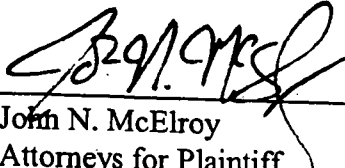
TO: SHERIFF

SIR:

Please serve Defendant Timothy M. Novak OR an adult member of the family with whom he resides OR an adult person in charge of the residence with a copy of the Complaint in Mortgage Foreclosure at 2613 Behringer Highway, Reynoldsville, PA 15851.

GRENN & BIRSIC, P.C.

BY:



John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center  
Ninth Floor  
Pittsburgh, PA 15222  
Pa. I.D. #87529

(412) 281-7650

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.:

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

SHERIFF DIRECTIONS

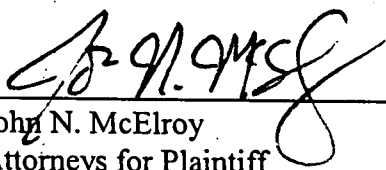
TO: SHERIFF

SIR:

Please serve Defendant Virginia L. Novak OR an adult member of the family with whom she resides OR an adult person in charge of the residence with a copy of the Complaint in Mortgage Foreclosure at 2613 Behringer Highway, Reynoldsville, PA 15851.

GRENN & BIRSIC, P.C.

BY:

  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center  
Ninth Floor  
Pittsburgh, PA 15222  
Pa. I.D. #87529

(412) 281-7650

Exhibit "B"





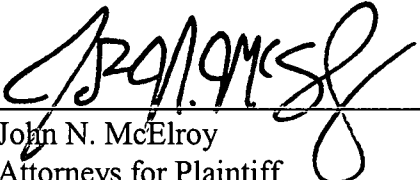
address to be 2613 Behringer Highway, Reynoldsville, PA 15851.

- e. Plaintiff filed prior Complaints against said Defendants which were served by the Sheriff of Clearfield County at 2613 Behringer Highway, Reynoldsville, PA 15851.

Finally, affiant deposes and says that after the foregoing investigation, the exact whereabouts of Defendants remain unknown to Plaintiff.

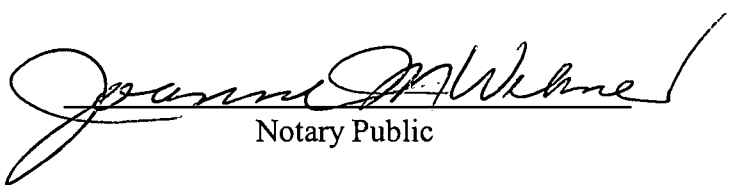
GRENN & BIRSIC, P.C.

BY:

  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center-Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

Sworn to and subscribed before me

this 5th day of December, 2006.

  
Notary Public

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal

Joanne M. Wehner, Notary Public  
City of Pittsburgh, Allegheny County  
My Commission Expires June 19, 2009

Member, Pennsylvania Association of Notaries

Attachment "A"

Date: December 4, 2006

Postmaster  
Reynoldsville, PA 15851  
City, State, ZIP Code

**Request for Change of Address or Boxholder  
Information Needed for Service of Legal Process**

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

Name: Timothy M. Novak and Virginia L. Novak

Address: 2613 Behringer Highway, Reynoldsville, PA 15851

NOTE: The name and last known address are required for change of address information. The name, if known, and post office box address are required for boxholder information.

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

1. Capacity of requestor (e.g., process server, attorney, party representing himself): Counsel for Plaintiff
2. Statute or regulation that empowers me to serve process (not required when a requester is an attorney or party action as pro se - except a corporation acting pro se must cite statute): \_\_\_\_\_
3. The names of all known parties to the litigation: S&T Bank v. Timothy M. Novak and Virginia L. Novak
4. The court in which this case has been heard or will be heard: Court of Common Pleas of Clearfield County
5. The docket or other identifying number if one has been issued: 06-1714-CD
6. The capacity in which this individual is to be served (e.g. defendant or witness): Defendants

**WARNING**

THE SUBMISSION OF FALSE INFORMATION TO OBTAIN AND USE CHANGE OF ADDRESS INFORMATION OR BOXHOLDER INFORMATION FOR ANY PURPOSE OTHER THAN THE SERVICE OF LEGAL PROCESS IN CONNECTION WITH ACTUAL OR PROSPECTIVE LITIGATION COULD RESULT IN CRIMINAL PENALTIES INCLUDING A FINE OF UP TO \$10,000 OR IMPRISONMENT OR (2) AVOID PAYMENT OF THE FEE FOR CHANGE OF ADDRESS INFORMATION OF NOT MORE THAN 5 YEARS, OR BOTH (TITLE 18 U.S.C. SECTION 1001).

I certify that the above information is true and that the address information is needed and will be used solely for service of legal process in connection with actual or prospective litigation.

Joanne Wehner  
Signature

Joanne Wehner, Paralegal

Printed Name

Address: GRENN & BIRSIC, P.C.  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222

**FOR POST OFFICE USE ONLY**

- ☐ NO change of address order on file.  
☐ Not known at address given.  
☐ Moved, left no forwarding address.  
☐ No such address.

NEW ADDRESS OR BOXHOLDER'S  
NAME and STREET ADDRESS

POSTMARK

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

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

No.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

FILED ICC  
9:54:43 AM  
DEC 08 2006  
McElroy

William A. Shaw  
Prothonotary/Clerk of Courts

ORDER OF COURT

AND NOW, to wit, this 8 day of Dec, 2006, upon consideration of the within Motion for Service of the Complaint in Mortgage Foreclosure Property Pursuant to Special Order of Court, it is hereby ORDERED, ADJUDGED and DECREED that Plaintiff is permitted to serve Defendants, Timothy M. Novak and Virginia L. Novak, by mailing a true and correct copy of the Complaint in Mortgage Foreclosure by certified mail, return receipt requested, restricted delivery and by first class mail, postage pre-paid to Timothy M. Novak and Virginia L. Novak at 2613 Behringer Highway, Reynoldsville, PA 15851 and by directing the Sheriff of Clearfield County to post the property at 2613 Behringer Highway, Reynoldsville, PA 15851. Service of the Complaint shall be deemed complete and valid upon mailing by the Plaintiff and posting by the Sheriff.

BY THE COURT:

John R. [Signature] J.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the within Motion for Service of the Complaint in Mortgage Foreclosure Pursuant to Special Order of Court and Order of Court was mailed to the following on this 5<sup>th</sup> day of December, 2006, by first class, U.S.

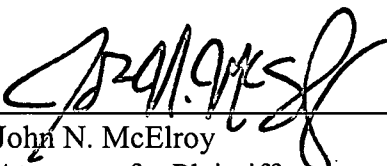
Mail, postage pre-paid:

Timothy M. Novak  
2613 Behringer Highway  
Reynoldsville, PA 15851

Virginia L. Novak  
2613 Behringer Highway  
Reynoldsville, PA 15851

GRENN & BIRSIC, P.C.

BY:

  
\_\_\_\_\_  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center-Ninth Floor  
Pittsburgh, PA 15222

(412) 281-7650

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,

Plaintiff,

vs.

TIMOTHY M. NOVAK and VIRGINIA L.  
NOVAK,

Defendants.

) CIVIL DIVISION

)

)

) NO.: 06-1714-CD

)

)

) ISSUE NO.:

)

) TYPE OF PLEADING

)

) PRAECIPE TO REINSTATE

) CIVIL ACTION - COMPLAINT

) IN MORTGAGE FORECLOSURE

)

) CODE -

)

) FILED ON BEHALF OF:

)

) S&T BANK, Plaintiff

)

)

)

) COUNSEL OF RECORD FOR THIS

) PARTY:

)

) John N. McElroy

) Pa. I.D. #87529

)

) GRENN & BIRSIC, P.C.

)

)

) Ninth Floor

) One Gateway Center

) Pittsburgh, PA 15222

) (412) 281-7650

)

)

)

)

)

)

FILED

JAN 05 2007

William A. Shaw  
Prothonotary/Clerk of Courts

Any pd.  
7.00

2 Compl. Reinstated  
to Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and VIRGINIA  
L. NOVAK,

Defendants.

PRAECIPE TO REINSTATE CIVIL ACTION -  
COMPLAINT IN MORTGAGE FORECLOSURE

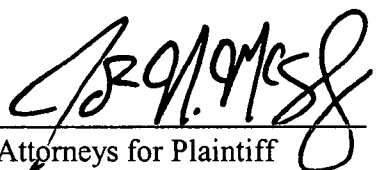
TO: PROTHONOTARY

SIR:

Kindly reinstate the Civil Action - Complaint in Mortgage Foreclosure with respect to  
the above-referenced matter and mark the docket accordingly.

GRENNEN & BIRSIC, P.C.

BY:

  
Attorneys for Plaintiff



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

Service # 1 of 2 Services

Sheriff Docket # **102054**

**S&T BANK**

Case # **06-1714-CD**

VS.

**TIMOTHY M. NOVAK and VIRGINIA L. NOVAK**

TYPE OF SERVICE COMPLAINT IN MORTGAGE FORECLOSURE

**SHERIFF RETURNS**

NOW February 02, 2007 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURNED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT FOUND" AS TO TIMOTHY M. NOVAK, DEFENDANT. ATTEMPTED, NOT HOME.

SERVED BY: /

**FILED**  
01/31/07  
FEB 02 2007

William A. Shaw  
Prothonotary/Clerk of Courts

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

Service # 2 of 2 Services

Sheriff Docket # **102054**

**S&T BANK**

Case # **06-1714-CD**

VS.

**TIMOTHY M. NOVAK and VIRGINIA L. NOVAK**

TYPE OF SERVICE COMPLAINT IN MORTGAGE FORECLOSURE

**SHERIFF RETURNS**

NOW February 02, 2007 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURNED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT FOUND" AS TO VIRGINIA L. NOVAK, DEFENDANT. ATTEMPTED, NOT HOME.

SERVED BY: /

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102054  
NO: 06-1714-CD  
SERVICES 2  
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: S&T BANK

vs.

DEFENDANT: TIMOTHY M. NOVAK and VIRGINIA L. NOVAK

SHERIFF RETURN

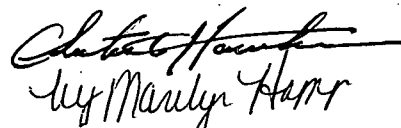
RETURN COSTS

Description	Paid By	CHECK #	AMOUNT
SURCHARGE	GRENN	112915	20.00
SHERIFF HAWKINS	GRENN	112915	37.00

Sworn to Before Me This

\_\_\_\_\_ Day of \_\_\_\_\_ 2007

So Answers,



Chester A. Hawkins  
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,

Plaintiff,

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

CERTIFICATION OF LOCATION

I hereby certify that the location of the  
real estate affected by this lien is

Sandy Township

I hereby certify the address of the  
Plaintiff is:

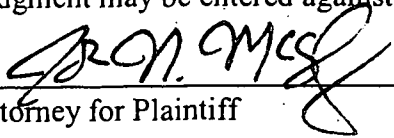
43 South Ninth Street  
Indiana, PA 15701

and the Defendants is:

2613 Behringer Highway  
Reynoldsville, PA 15851

To Defendants

You are hereby notified to Plead to the  
enclosed Complaint within twenty (20)  
days from service hereof or a Default  
Judgment may be entered against you.

  
Attorney for Plaintiff

JB, 2006 09

) CIVIL DIVISION

)

) NO.: 06-1714-CD

)

)

) ISSUE NO.:

)

) TYPE OF PLEADING

)

) CIVIL ACTION - COMPLAINT

) IN MORTGAGE FORECLOSURE

)

) CODE -

)

) FILED ON BEHALF OF:

)

) S&T BANK, Plaintiff

)

)

) COUNSEL OF RECORD FOR THIS

) PARTY:

)

) John N. McElroy

) Pa. I.D. #87529

)

)

) GRENN & BIRSIC, P.C.

)

)

) One Gateway Center, Ninth Floor

) Pittsburgh, PA 15222

)

) (412) 281-7650

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

OCT 19 2006

Attest.

  
Prothonotary/  
Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.:

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

**NOTICE TO DEFEND**

You have been sued in court. If you wish to defend against the claim 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.

DAVID S. MEHOLICK, COURT ADMINISTRATOR  
Clearfield County Courthouse  
Clearfield, Pennsylvania 16830  
(814) 765-2641 Ext. 5982

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.:

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

CIVIL ACTION - COMPLAINT IN MORTGAGE FORECLOSURE

S&T Bank, by its attorneys, Grenen & Birsic, P.C., files this Complaint in Mortgage Foreclosure as follows:

1. The Plaintiff is S&T Bank, which has its principal place of business at 43 South Ninth Street, Indiana, Pennsylvania 15701.
2. Defendants, Timothy M. Novak and Virginia L. Novak, are individuals whose last known address is 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851.
3. On or about November 10, 2004, Scenic View Family Recreation Center, Inc., executed a Promissory Note in favor of Plaintiff in the original principal amount of \$88,000.00 ("Note"). A true and correct copy of said Note is marked Exhibit "A", attached hereto and made a part hereof.
4. On or about November 10, 2004, as security for payment of the aforesaid Note, Defendants made, executed and delivered to Plaintiff a Mortgage in the original principal amount of \$88,000.00 on the premises hereinafter described, said Mortgage being recorded in the Office of the Recorder of Deeds of Clearfield County on November 11, 2004, in Instrument Number

200418359. A true and correct copy of said Mortgage containing a description of the premises subject to said Mortgage is marked Exhibit "B", attached hereto and made a part hereof.

5. Defendants are the record and real owners of the aforesaid mortgaged premises.

6. Defendants are in default under the terms of the aforesaid Mortgage and Note as modified for, inter alia, failure to pay the monthly installments of principal and interest on said Note when due and upon demand.

7. Plaintiff was not required to send Defendants written notice pursuant to 35 P.S. §1680.403C (Homeowner's Emergency Mortgage Assistance Act of 1983 - Act 91 of 1983) prior to the commencement of this action for the reasons that:

(a) the mortgaged premises is not the principal residence of the Defendants [35 P.S. §1680.401(a) (1)]; and

(b) the mortgaged premises is not a one or two family owner-occupied residence [35 P.S. §1680.401C(a) (2)].

8. Plaintiff was not required to send Defendants written notice of Plaintiff's intention to foreclose said Mortgage pursuant to 41 P.S. §403 (Act 6 of 1974) prior to the commencement of this action for the reasons that:

(a) said Mortgage is not a "residential mortgage" as defined in 41 P.S. §101;

(b) the Defendants are not "residential mortgage debtors" as defined in 41 P.S. §101;

and

(c) the mortgaged premises is not "residential real property" as defined in 41 P.S. §101.

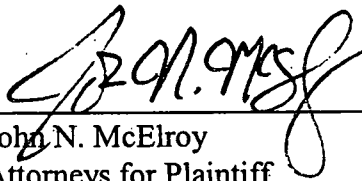
9. The amount due and owing Plaintiff is as follows:

Principal	\$67,189.23
Interest to 10/2/06	\$ 1,058.29
Late Charges to 10/2/06	\$ 299.08
Unpaid fees	\$ 760.08
Mortgage Foreclosure Attorneys' fees	\$ 1,000.00
Title Search, Foreclosure and Execution Costs	\$ <u>2,750.00</u>
TOTAL	\$73,056.68

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of \$73,056.68, with interest thereon at the rate of \$14.29 per diem from October 2, 2006, and additional late charges, additional reasonable and actually incurred attorneys' fees, plus costs and for foreclosure and sale of the mortgaged premises.

GRENNEN & BIRSIC, P.C.

BY:

  
\_\_\_\_\_  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center  
Ninth Floor  
Pittsburgh, PA 15222  
Pa. I.D. #87529

(412) 281-7650

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



Exhibit "A"



## PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$88,000.00	11-10-2004	11-11-2010	2000107074-200	CH	00000646083	713	
References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** Scenic View Family Recreation Center, Inc.  
28 Division St  
DuBois, PA 15801-2520

**Lender:** S&T BANK  
Commercial Lending  
PO Box 190  
Indiana, PA 15701  
(724) 349-1800

**Principal Amount:** \$88,000.00

**Interest Rate:** 6.790%

**Date of Note:** November 10, 2004

**PROMISE TO PAY.** Scenic View Family Recreation Center, Inc. ("Borrower") promises to pay to S&T BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Eighty-eight Thousand & 00/100 Dollars (\$88,000.00), together with interest at the rate of 6.790% per annum on the unpaid principal balance from November 11, 2004, until "Change Date".

**PAYMENT.** Borrower will pay this loan in accordance with the following payment schedule:

The term of this Note shall be 72 months. The outstanding principal balance and the accrued and unpaid interest shall be repaid in 72 consecutive monthly payments of principal including interest, based on a 6 year amortization schedule. The first 60 payments of principal including interest shall be in the amount of \$1,495.37 and shall commence on December 11, 2004 and continue on the 11th day of each consecutive month thereafter, with the monthly principal including interest payment to be adjusted on November 11, 2009 (hereinafter referred to as the "Change Date") in accordance with any adjustment in the interest rate such that the loan will continue to amortize at the 6 year amortization schedule over the balance of the months remaining in the term, with all outstanding principal, accrued and unpaid interest and all other sums due and owing under the terms of this Note to be immediately due and payable in full, unless sooner paid, on November 11, 2010. Interest shall accrue during the 60 month period commencing from the date of this Note to and including November 10, 2009 at a fixed rate of 6.790% per annum and for the twelve (12) month period thereafter, commencing on the Change Date at a fixed rate equal to the Index, as determined on the Change Date plus 2.750% per annum. The Index shall mean the weekly average yield of the five (5) year Fixed-Rate Credit (adding the daily Fixed-Rate Credit yields and dividing by 5), as is published and released in the Federal Home Loan Bank of Pittsburgh Weekly Financial Summary on the Friday on which the Change Date falls or if the Change Date does not fall on a Friday by using the publication most recently published immediately prior to such Change Date. If for any reason, the Index is not available, the Index shall mean such other Index as Lender shall choose from time to time, which Index shall have as closely as possible a historical movement substantially similar to the original Index. Lender will inform Borrower of the new Index upon Borrower's request.

Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. The annual interest rate for this Note is computed on a 365/360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**PREPAYMENT.** Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: S&T Bank, Loan Servicing Center, PO Box 469 Indiana, PA 15701.

**LATE CHARGE.** If a payment is 16 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment or \$20.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, Lender, at its option, may, if permitted under applicable law, increase the interest rate on this Note 3.000 percentage points. The interest rate will not exceed the maximum rate permitted by applicable law. If judgment is entered in connection with this Note, interest will continue to accrue on this Note after judgment at the existing interest rate provided for in this Note.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Insolvency.** The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Foreclosure Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan.

This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Change In Ownership.** Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**LENDER'S RIGHTS.** Upon default, Lender may, after giving such notices as required by applicable law, declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Note will be governed by, construed and enforced in accordance with federal law and the laws of the Commonwealth of Pennsylvania. This Note has been accepted by Lender in the Commonwealth of Pennsylvania.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Clearfield County, Commonwealth of Pennsylvania.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

**PRIOR NOTE.** In addition to new funds, this Note is a refinancing of the promissory Note in the original principal amount of \$68,000.00 from Scenic View Family Recreation Center, Inc. to S&T Bank dated July 21, 2003 and the promissory Note in the original principal amount of \$20,000.00 from Scenic View Family Recreation Center, Inc. to S&T Bank dated November 14, 2003.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**GENERAL PROVISIONS.** Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several. If any portion of this Note is for any reason determined to be unenforceable, it will not effect the enforceability of any other provisions of this Note.

**CONFESSION OF JUDGMENT.** BORROWER HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR THE PROTHONOTARY OR CLERK OF ANY COURT IN THE COMMONWEALTH OF PENNSYLVANIA, OR ELSEWHERE, TO APPEAR AT ANY TIME FOR BORROWER AFTER A DEFAULT UNDER THIS NOTE AND WITH OR WITHOUT COMPLAINT FILED, CONFESS OR ENTER JUDGMENT AGAINST BORROWER FOR THE ENTIRE PRINCIPAL BALANCE OF THIS NOTE AND ALL ACCRUED INTEREST, LATE CHARGES AND ANY AND ALL AMOUNTS EXPENDED OR ADVANCED BY LENDER RELATING TO ANY COLLATERAL SECURING THIS NOTE, TOGETHER WITH COSTS OF SUIT, AND AN ATTORNEY'S COMMISSION OF TEN PERCENT (10%) OF THE UNPAID PRINCIPAL BALANCE AND ACCRUED INTEREST FOR COLLECTION, BUT IN ANY EVENT NOT LESS THAN FIVE HUNDRED DOLLARS (\$500) ON WHICH JUDGMENT OR JUDGMENTS ONE OR MORE EXECUTIONS MAY ISSUE IMMEDIATELY; AND FOR SO DOING, THIS NOTE OR A COPY OF THIS NOTE VERIFIED BY AFFIDAVIT SHALL BE SUFFICIENT WARRANT. THE AUTHORITY GRANTED IN THIS NOTE TO CONFESS JUDGMENT AGAINST BORROWER SHALL NOT BE EXHAUSTED BY ANY EXERCISE OF THAT AUTHORITY, BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL PAYMENT IN FULL OF ALL AMOUNTS DUE UNDER THIS NOTE. BORROWER HEREBY WAIVES ANY RIGHT BORROWER MAY HAVE TO NOTICE OR TO A HEARING IN CONNECTION WITH ANY SUCH CONFESSION OF JUDGMENT AND STATES THAT EITHER A REPRESENTATIVE OF LENDER SPECIFICALLY CALLED THIS CONFESSION OF JUDGMENT PROVISION TO BORROWER'S ATTENTION OR BORROWER HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL.



Exhibit "B"

# CLEARFIELD COUNTY RECORDER OF DEEDS

Karen L. Starck, Recorder  
Maurene Inlow - Chief Deputy  
P.O. Box 361  
1 North Second Street, Suite 103  
Clearfield, Pennsylvania 16830

**\*RETURN DOCUMENT TO:**  
S & T BANK

Instrument Number - 200418359  
Recorded On 11/12/2004 At 9:18:03 AM  
\* Instrument Type - MORTGAGE  
\* Total Pages - 13  
Invoice Number - 120552  
\* Mortgagor - NOVAK, TIMOTHY M  
\* Mortgagee - S & T BANK  
\* Customer - S & T BANK

* FEES	
STATE WRIT TAX	\$0.50
JCS/ACCESS TO JUSTICE	\$10.00
RECORDING FEES -	\$29.00
RECORDER	
RECORDER IMPROVEMENT	\$3.00
FUND	
COUNTY IMPROVEMENT FUND	\$2.00
TOTAL	\$44.50

Scenic View Family  
Timothy & Virginia Novak - Grantors  
CL 2000107074-200  
\$38,000  
Rte 322 & Thunderbird Rd,  
Reynoldsville, PA

I hereby CERTIFY that this document  
is recorded in the Recorder's Office of  
Clearfield County, Pennsylvania.



*Karen L. Starck*  
Karen L. Starck  
Recorder of Deeds

THIS IS A CERTIFICATION PAGE

## Do Not Detach

THIS PAGE IS NOW PART OF THIS LEGAL DOCUMENT

\* - Information denoted by an asterisk may change during the verification process and may not be reflected on this page.

RECORDATION  
REQUESTED BY:  
S&T BANK  
Commercial Lending  
PO Box 190  
Indiana, PA 15701

WHEN RECORDED MAIL  
TO:  
S&T Bank  
355 N 5th St  
Indiana, PA 15701

FOR RECORDER'S USE ONLY



### MORTGAGE

THIS MORTGAGE dated November 10, 2004, is made and executed between Timothy M. Novak and Virginia L. Novak, husband and wife, whose address is 28 Division St, DuBois, PA 15801-2520 (referred to below as "Grantor") and S&T BANK, whose address is PO Box 190, Indiana, PA 15701 (referred to below as "Lender").

**GRANT OF MORTGAGE.** For valuable consideration, Grantor grants, bargains, sells, conveys, assigns, transfers, releases, confirms and mortgages to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all streets, lanes, alleys, passages, and ways; all easements, rights of way, all liberties, privileges, tenements, hereditaments, and appurtenances thereunto belonging or anywise made appurtenant hereafter, and the reversions and remainders with respect thereto; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Clearfield County, Commonwealth of Pennsylvania:

Parcel Number 128-A04-000-00011

ALL that certain piece or parcel of land situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a stone marker being the southwest corner of herein described parcel and along the Jefferson and Clearfield County line, thence along said county line North 5 degrees 15 minutes 15 minutes 30 seconds East 1348.07 feet to an iron pin; thence along lands of which this was a part South 44 degrees 9 minutes 10 seconds East 610.0 feet to an iron pin; thence North 42 degrees 22 minutes 50 seconds East 170.0 feet to an iron pin; thence North 13 degrees 45 minutes 50 seconds East 975.10 feet to a point in State Highway route 322; thence by said highway South 81 degrees 40 minutes East 223.34 feet to a point; thence along lands of A. Johnston South 5 degrees 15 minutes 30 seconds West 2014.2 feet to a concrete marker; thence along lands of G. Walls North 86 degrees 16 minutes West 933.38 feet to the point of beginning.

CONTAINING 30.0 Acres

EXCEPTING AND RESERVING whatever reservations and exceptions that were contained in prior deeds.

FURTHER EXCEPTING AND RESERVING unto William I. Johnston et al, their heirs and assigns, the right and liberty at all times hereafter of using water from the well on the granted premises; with liberty from time to time with workmen to enter upon the land and to repair, cleanse, and maintain the well and the pipes leading therefrom to premises in Winslow Township, Jefferson County, Pennsylvania, described in deed from Iren I.

*Instrument # 200418359*

Johnston to William Ivan Johnston et al., dated March 27, 1979, and recorded in Jefferson County Deed Book 455 at page 930.

BEING the same premises conveyed to Timothy M. Novak and Virginia L. Novak, husband and wife, by deed of Timothy M. Novak and Virginia L. Novak, husband and wife, dated July 21, 2003, and recorded in the Office of Recorder of Deeds in and for Clearfield County, Pennsylvania as Instrument No. 200313088.

**Parcel Number 128-A04-000-00200**

ALL that certain piece or parcel of land situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a iron pin being the southwest corner of herein described parcel and along the Jefferson and Clearfield County line; thence along said county line North 5 degrees 15 minutes 30 seconds East 799.63 feet to a point in State Highway Route 322; thence by said highway South 76 degrees 43 minutes 40 seconds East 676.76 feet to a point, thence continuing along said highway South 81 degrees 32 minutes East 39.96 feet to a point; thence through the larger tract of which this was a part South 13 degrees 45 minutes 50 seconds West 975.10 feet to an iron pin; thence South 42 degrees 22 minutes 50 seconds West 170.0 to an iron pin; thence North 44 degrees 9 minutes 10 seconds West 610.0 feet to point of beginning.

**CONTAINING 14.4 Acres**

**WATER RIGHTS;** The parties of the first part grant unto the parties of the second part, heirs and assigns, the right to use the waters from a certain spring situated on the larger parcel of which this was a part of.

**EXCEPTING AND RESERVING** whatever reservations and exceptions that were contained in prior deeds.

**FURTHER EXCEPTING AND RESERVING** unto William I. Johnston et al, their heirs and assigns, the right and liberty at all times hereafter of using water from the well on the granted premises; with liberty from time to time with workmen to enter upon the land and to repair, cleanse, and maintain the well and the pipes leading therefrom to premises in Winslow Township, Jefferson County, Pennsylvania, described in deed from Iren I. Johnston to William Ivan Johnston et al., dated March 27, 1979, and recorded in Jefferson County Deed Book 455 at page 930.

BEING the same premises conveyed to Timothy M. Novak and Virginia L. Novak, husband and wife, by deed of Timothy M. Novak and Virginia L. Novak, husband and wife, dated July 21, 2003, and recorded in the Office of Recorder of Deeds in and for Clearfield County, Pennsylvania as Instrument No. 200313089.

The Real Property or its address is commonly known as Rte 322 & Thunderbird Rd, Reynoldsville, PA 15851. The Real Property parcel identification number is 128-A04-000-00011 and 128-A04-000-00200.

**CROSS-COLLATERALIZATION.** In addition to the Note, this Mortgage secures all obligations, debts and liabilities, plus interest thereon, of Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated whether Borrower or Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

**THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE IN THE ORIGINAL PRINCIPAL AMOUNT OF \$88,000.00, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:**

**GRANTOR'S WAIVERS.** Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency"



law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

**GRANTOR'S REPRESENTATIONS AND WARRANTIES.** Grantor warrants that: (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property; (c) the provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all Borrower's and Grantor's obligations under this Mortgage.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

**Possession and Use.** Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

**Duty to Maintain.** Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Compliance With Environmental Laws.** Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

**Nuisance, Waste.** Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

**Removal of Improvements.** Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

**Lender's Right to Enter.** Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

**Compliance with Governmental Requirements.** Grantor shall promptly comply with all laws, ordinances, and

regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

**Duty to Protect.** Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

**DUE ON SALE - CONSENT BY LENDER.** Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Pennsylvania law.

**TAXES AND LIENS.** The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

**Payment.** Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for the Existing Indebtedness referred to in this Mortgage or those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

**Right to Contest.** Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

**Evidence of Payment.** Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

**Notice of Construction.** Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds \$5,000.00. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

**PROPERTY DAMAGE INSURANCE.** The following provisions relating to insuring the Property are a part of this Mortgage:

**Maintenance of Insurance.** Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of fifteen (15) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of

Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

**Application of Proceeds.** Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$5,000.00. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

**Compliance with Existing Indebtedness.** During the period in which any Existing Indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such Existing Indebtedness shall constitute compliance with the insurance provisions under this Mortgage, to the extent compliance with the terms of this Mortgage would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loss, the provisions in this Mortgage for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

**LENDER'S EXPENDITURES.** If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to comply with any obligation to maintain Existing Indebtedness in good standing as required below, or to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default. Grantor's obligation to Lender for all such expenses shall survive the entry of any mortgage foreclosure judgment.

**WARRANTY; DEFENSE OF TITLE.** The following provisions relating to ownership of the Property are a part of this Mortgage:

**Title.** Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

**Defense of Title.** Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

**Compliance With Laws.** Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Grantor in

this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full.

**EXISTING INDEBTEDNESS.** The following provisions concerning Existing Indebtedness are a part of this Mortgage:

**Existing Lien.** The lien of this Mortgage securing the Indebtedness may be secondary and inferior to an existing lien. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

**No Modification.** Grantor shall not enter into any agreement with the holder of any mortgage or other security agreement which has priority over this Mortgage by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.

**CONDEMNATION.** The following provisions relating to condemnation proceedings are a part of this Mortgage:

**Proceedings.** If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

**Application of Net Proceeds.** If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all actual costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

**IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.** The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

**Current Taxes, Fees and Charges.** Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

**Taxes.** The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

**Subsequent Taxes.** If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

**SECURITY AGREEMENT; FINANCING STATEMENTS.** The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

**Security Agreement.** This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

**Security Interest.** Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

**Addresses.** The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform

Commercial Code) are as stated on the first page of this Mortgage.

**FURTHER ASSURANCES; ADDITIONAL AUTHORIZATIONS.** The following provisions relating to further assurances and additional authorizations are a part of this Mortgage:

**Further Assurances.** At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

**Additional Authorizations.** If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably authorizes Lender to make, execute, deliver, file, record and do all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph. It is understood that nothing set forth herein shall require Lender to take any such actions.

**FULL PERFORMANCE.** If Borrower pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

**EVENTS OF DEFAULT.** Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

**Payment Default.** Borrower fails to make any payment when due under the indebtedness.

**Default on Other Payments.** Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

**Other Defaults.** Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

**Default in Favor of Third Parties.** Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's or any Grantor's property or Borrower's ability to repay the indebtedness or Borrower's or Grantor's ability to perform their respective obligations under this Mortgage or any related document.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Death or Insolvency.** The dissolution or termination of Borrower's or Grantor's existence as a going business, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the

dispute.

**Existing Indebtedness.** The payment of any installment of principal or any interest on the Existing Indebtedness is not made within the time required by the promissory note evidencing such indebtedness, or a default occurs under the instrument securing such indebtedness and is not cured during any applicable grace period in such instrument, or any suit or other action is commenced to foreclose any existing lien on the Property.

**Breach of Other Agreement.** Any breach by Borrower or Grantor under the terms of any other agreement between Borrower or Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Borrower or Grantor to Lender, whether existing now or later.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**Adverse Change.** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**RIGHTS AND REMEDIES ON DEFAULT.** Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

**Accelerate Indebtedness.** Lender shall have the right at its option, after giving such notices as required by applicable law, to declare the entire Indebtedness immediately due and payable.

**UCC Remedies.** With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

**Collect Rents.** Lender shall have the right, without notice to Borrower or Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably authorizes Lender to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Appoint Receiver.** Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Judicial Foreclosure.** Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

**Possession of the Property.** For the purpose of procuring possession of the Property, Grantor hereby authorizes and empowers any attorney of any court of record in the Commonwealth of Pennsylvania or elsewhere, as attorney for Lender and all persons claiming under or through Lender, to sign an agreement for entering in any competent court an amicable action in ejectment for possession of the Property and to appear for and confess judgment against Grantor, and against all persons claiming under or through Grantor, for the recovery by Lender of possession of the Property, without any stay of execution, for which this Mortgage, or a copy of this Mortgage verified by affidavit, shall be a sufficient warrant; and thereupon a writ of possession may be issued forthwith, without any prior writ or proceeding whatsoever.

**Nonjudicial Sale.** If permitted by applicable law, Lender may foreclose Grantor's interest in all or in any part of the Personal Property or the Real Property by non-judicial sale.

**Deficiency Judgment.** Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

**Tenancy at Sufferance.** If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1)

pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

**Other Remedies.** Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

**Sale of the Property.** To the extent permitted by applicable law, Borrower and Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

**Notice of Sale.** Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Unless otherwise required by applicable law, reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

**Election of Remedies.** Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or Borrower and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the indebtedness.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

**NOTICES.** Unless otherwise provided by applicable law, any notice required to be given under this Mortgage shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided by applicable law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Mortgage:

**Amendments.** This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Annual Reports.** If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

**Caption Headings.** Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

**Governing Law.** This Mortgage will be governed by, construed and enforced in accordance with federal law and the laws of the Commonwealth of Pennsylvania. This Mortgage has been accepted by Lender in the Commonwealth of Pennsylvania.

**Choice of Venue.** If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the

courts of Clearfield County, Commonwealth of Pennsylvania.

**Joint and Several Liability.** All obligations of Borrower and Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Borrower and Grantor signing below is responsible for all obligations in this Mortgage.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Severability.** If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

**Merger.** There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Successor Interests.** The terms of this Mortgage shall be binding upon Grantor, and upon Grantor's heirs, personal representatives, successors, and assigns, and shall be enforceable by Lender and its successors and assigns.

**Time is of the Essence.** Time is of the essence in the performance of this Mortgage.

**Waive Jury.** All parties to this Mortgage hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Borrower.** The word "Borrower" means Scenic View Family Recreation Center, Inc. and includes all co-signers and co-makers signing the Note.

**Default.** The word "Default" means the Default set forth in this Mortgage in the section titled "Default".

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

**Existing Indebtedness.** The words "Existing Indebtedness" mean the indebtedness described in the Existing Liens provision of this Mortgage.

**Grantor.** The word "Grantor" means Timothy M. Novak and Virginia L. Novak.

**Guarantor.** The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

**Guaranty.** The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity,



concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

**Improvements.** The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

**Indebtedness.** The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage. Specifically, without limitation, Indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Mortgage.

**Lender.** The word "Lender" means S&T BANK, its successors and assigns.

**Mortgage.** The word "Mortgage" means this Mortgage between Grantor and Lender.

**Note.** The word "Note" means the promissory note dated November 10, 2004, in the original principal amount of \$88,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

**Personal Property.** The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

**Property.** The word "Property" means collectively the Real Property and the Personal Property.

**Real Property.** The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

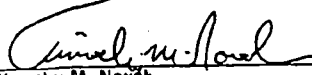
**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

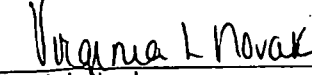
**Rents.** The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

**EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH GRANTOR AGREES TO ITS TERMS.**

**THIS MORTGAGE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS MORTGAGE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.**

**GRANTOR:**

X  (Seal)  
Timothy M. Novak

X  (Seal)  
Virginia L. Novak

CERTIFICATE OF RESIDENCE

I hereby certify, that the precise address of the mortgagee, S&T BANK, herein is as follows:  
Commercial Lending, PO Box 190, Indiana, PA 15701

*RM Banon*  
Attorney or Agent for Mortgagee

INDIVIDUAL ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF

*Clearfield*

SS

On this, the *10<sup>th</sup>* day of *November*, 20 *04*, before me *Penny D. Orcutt*, the undersigned Notary Public, personally appeared Timothy M. Novak and Virginia L. Novak, known to me (or satisfactorily proven) to be the person whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

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

COMMONWEALTH OF PENNSYLVANIA

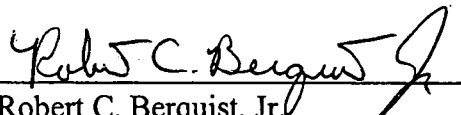
Notarial Seal  
Penny D. Orcutt, Notary Public  
City of DuBois, Clearfield County  
My Commission Expires Nov. 13, 2007

Notary Public in and for the State of

*P.A.*

VERIFICATION

Robert C. Berquist, Jr., Vice President, and duly authorized representative of S&T Bank, deposes and says subject to the penalties of 18 Pa. C.S.A. §4904 relating to unsworn falsification to authorities that the facts set forth in the foregoing Complaint in Mortgage Foreclosure are true and correct to his information and belief.

  
Robert C. Berquist, Jr.  
Vice President  
S&T Bank

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,

Plaintiff,

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

CERTIFICATION OF LOCATION

I hereby certify that the location of the  
real estate affected by this lien is

Sandy Township

I hereby certify the address of the  
Plaintiff is:

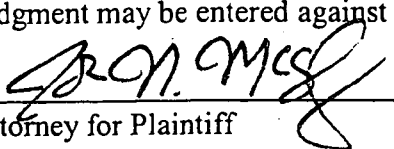
43 South Ninth Street  
Indiana, PA 15701

and the Defendants is:

2613 Behringer Highway  
Reynoldsville, PA 15851

To Defendants

You are hereby notified to Plead to the  
enclosed Complaint within twenty (20)  
days from service hereof or a Default  
Judgment may be entered against you.

  
Attorney for Plaintiff

JB, 6-1-06 11:13

) CIVIL DIVISION

)

) NO.: 06-1714-CD

)

)

) ISSUE NO.:

)

) TYPE OF PLEADING

)

) CIVIL ACTION - COMPLAINT

) IN MORTGAGE FORECLOSURE

)

) CODE -

)

) FILED ON BEHALF OF:

)

) S&T BANK, Plaintiff

)

)

) COUNSEL OF RECORD FOR THIS

) PARTY:

)

) John N. McElroy

) Pa. I.D. #87529

)

)

) GRENN & BIRSIC, P.C.

)

)

) One Gateway Center, Ninth Floor

) Pittsburgh, PA 15222


)

) (412) 281-7650

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

OCT 19 2006

Attest.

  
Prothonotary/  
Clerk of Courts

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

S&T BANK,

Plaintiff,

NO.:

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

**NOTICE TO DEFEND**

You have been sued in court. If you wish to defend against the claim 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.

DAVID S. MEHOLICK, COURT ADMINISTRATOR  
Clearfield County Courthouse  
Clearfield, Pennsylvania 16830  
(814) 765-2641 Ext. 5982

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.:

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

CIVIL ACTION - COMPLAINT IN MORTGAGE FORECLOSURE

S&T Bank, by its attorneys, Grenen & Birsic, P.C., files this Complaint in Mortgage Foreclosure as follows:

1. The Plaintiff is S&T Bank, which has its principal place of business at 43 South Ninth Street, Indiana, Pennsylvania 15701.
2. Defendants, Timothy M. Novak and Virginia L. Novak, are individuals whose last known address is 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851.
3. On or about November 10, 2004, Scenic View Family Recreation Center, Inc., executed a Promissory Note in favor of Plaintiff in the original principal amount of \$88,000.00 ("Note"). A true and correct copy of said Note is marked Exhibit "A", attached hereto and made a part hereof.
4. On or about November 10, 2004, as security for payment of the aforesaid Note, Defendants made, executed and delivered to Plaintiff a Mortgage in the original principal amount of \$88,000.00 on the premises hereinafter described, said Mortgage being recorded in the Office of the Recorder of Deeds of Clearfield County on November 11, 2004, in Instrument Number

200418359. A true and correct copy of said Mortgage containing a description of the premises subject to said Mortgage is marked Exhibit "B", attached hereto and made a part hereof.

5. Defendants are the record and real owners of the aforesaid mortgaged premises.

6. Defendants are in default under the terms of the aforesaid Mortgage and Note as modified for, inter alia, failure to pay the monthly installments of principal and interest on said Note when due and upon demand.

7. Plaintiff was not required to send Defendants written notice pursuant to 35 P.S. §1680.403C (Homeowner's Emergency Mortgage Assistance Act of 1983 - Act 91 of 1983) prior to the commencement of this action for the reasons that:

(a) the mortgaged premises is not the principal residence of the Defendants [35 P.S. §1680.401(a) (1)]; and

(b) the mortgaged premises is not a one or two family owner-occupied residence [35 P.S. §1680.401C(a) (2)].

8. Plaintiff was not required to send Defendants written notice of Plaintiff's intention to foreclose said Mortgage pursuant to 41 P.S. §403 (Act 6 of 1974) prior to the commencement of this action for the reasons that:

(a) said Mortgage is not a "residential mortgage" as defined in 41 P.S. §101;

(b) the Defendants are not "residential mortgage debtors" as defined in 41 P.S. §101;

and

(c) the mortgaged premises is not "residential real property" as defined in 41 P.S. §101.

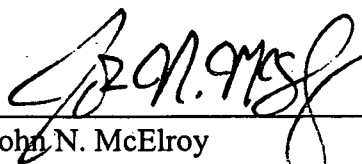
9. The amount due and owing Plaintiff is as follows:

Principal	\$67,189.23
Interest to 10/2/06	\$ 1,058.29
Late Charges to 10/2/06	\$ 299.08
Unpaid fees	\$ 760.08
Mortgage Foreclosure Attorneys' fees	\$ 1,000.00
Title Search, Foreclosure and Execution Costs	\$ <u>2,750.00</u>
TOTAL	\$73,056.68

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of \$73,056.68, with interest thereon at the rate of \$14.29 per diem from October 2, 2006, and additional late charges, additional reasonable and actually incurred attorneys' fees, plus costs and for foreclosure and sale of the mortgaged premises.

GRENNEN & BIRSIC, P.C.

BY:

  
\_\_\_\_\_  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center  
Ninth Floor  
Pittsburgh, PA 15222  
Pa. I.D. #87529

(412) 281-7650

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



Exhibit "A"



## PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
688,000.00	11-10-2004	11-11-2010	2000107074-200	CH	00000646083	713	
References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

**Borrower:** Scenic View Family Recreation Center, Inc.  
28 Division St  
DuBois, PA 15801-2520

**Lender:** S&T BANK  
Commercial Lending  
PO Box 190  
Indiana, PA 15701  
(724) 349-1800

**Principal Amount:** \$88,000.00

**Interest Rate:** 6.790%

**Date of Note:** November 10, 2004

**PROMISE TO PAY.** Scenic View Family Recreation Center, Inc. ("Borrower") promises to pay to S&T BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Eighty-eight Thousand & 00/100 Dollars (\$88,000.00), together with interest at the rate of 6.790% per annum on the unpaid principal balance from November 11, 2004, until "Change Date".

**PAYMENT.** Borrower will pay this loan in accordance with the following payment schedule:

The term of this Note shall be 72 months. The outstanding principal balance and the accrued and unpaid interest shall be repaid in 72 consecutive monthly payments of principal including interest, based on a 6 year amortization schedule. The first 60 payments of principal including interest shall be in the amount of \$1,495.37 and shall commence on December 11, 2004 and continue on the 11th day of each consecutive month thereafter, with the monthly principal including interest payment to be adjusted on November 11, 2009 (hereinafter referred to as the "Change Date") in accordance with any adjustment in the interest rate such that the loan will continue to amortize at the 6 year amortization schedule over the balance of the months remaining in the term, with all outstanding principal, accrued and unpaid interest and all other sums due and owing under the terms of this Note to be immediately due and payable in full, unless sooner paid, on November 11, 2010. Interest shall accrue during the 60 month period commencing from the date of this Note to and including November 10, 2009 at a fixed rate of 6.790% per annum and for the twelve (12) month period thereafter, commencing on the Change Date at a fixed rate equal to the Index, as determined on the Change Date plus 2.750% per annum. The Index shall mean the weekly average yield of the five (5) year Fixed-Rate Credit (adding the daily Fixed-Rate Credit yields and dividing by 5), as is published and released in the Federal Home Loan Bank of Pittsburgh Weekly Financial Summary on the Friday on which the Change Date falls or if the Change Date does not fall on a Friday by using the publication most recently published immediately prior to such Change Date. If for any reason, the Index is not available, the Index shall mean such other index as Lender shall choose from time to time, which index shall have as closely as possible a historical movement substantially similar to the original index. Lender will inform Borrower of the new index upon Borrower's request.

Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. The annual interest rate for this Note is computed on a 365/360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

**PREPAYMENT.** Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: S&T Bank, Loan Servicing Center, PO Box 469 Indiana, PA 15701.

**LATE CHARGE.** If a payment is 16 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment or \$20.00, whichever is greater.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, Lender, at its option, may, if permitted under applicable law, increase the interest rate on this Note 3.000 percentage points. The interest rate will not exceed the maximum rate permitted by applicable law. If judgment is entered in connection with this Note, interest will continue to accrue on this Note after judgment at the existing interest rate provided for in this Note.

**DEFAULT.** Each of the following shall constitute an event of default ("Event of Default") under this Note:

**Payment Default.** Borrower fails to make any payment when due under this Note.

**Other Defaults.** Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

**Default in Favor of Third Parties.** Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Insolvency.** The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

**Creditor or Foreclosure Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan.

This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

**Change in Ownership.** Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

**Adverse Change.** A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**LENDER'S RIGHTS.** Upon default, Lender may, after giving such notices as required by applicable law, declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

**ATTORNEYS' FEES; EXPENSES.** Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

**JURY WAIVER.** Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

**GOVERNING LAW.** This Note will be governed by, construed and enforced in accordance with federal law and the laws of the Commonwealth of Pennsylvania. This Note has been accepted by Lender in the Commonwealth of Pennsylvania.

**CHOICE OF VENUE.** If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Clearfield County, Commonwealth of Pennsylvania.

**RIGHT OF SETOFF.** To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

**PRIOR NOTE.** In addition to new funds, this Note is a refinancing of the promissory Note in the original principal amount of \$68,000.00 from Scenic View Family Recreation Center, Inc. to S&T Bank dated July 21, 2003 and the promissory Note in the original principal amount of \$20,000.00 from Scenic View Family Recreation Center, Inc. to S&T Bank dated November 14, 2003.

**SUCCESSOR INTERESTS.** The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

**GENERAL PROVISIONS.** Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several. If any portion of this Note is for any reason determined to be unenforceable, it will not affect the enforceability of any other provisions of this Note.

**CONFESSION OF JUDGMENT.** BORROWER HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR THE PROTHONOTARY OR CLERK OF ANY COURT IN THE COMMONWEALTH OF PENNSYLVANIA, OR ELSEWHERE, TO APPEAR AT ANY TIME FOR BORROWER AFTER A DEFAULT UNDER THIS NOTE AND WITH OR WITHOUT COMPLAINT FILED, CONFESS OR ENTER JUDGMENT AGAINST BORROWER FOR THE ENTIRE PRINCIPAL BALANCE OF THIS NOTE AND ALL ACCRUED INTEREST, LATE CHARGES AND ANY AND ALL AMOUNTS EXPENDED OR ADVANCED BY LENDER RELATING TO ANY COLLATERAL SECURING THIS NOTE, TOGETHER WITH COSTS OF SUIT, AND AN ATTORNEY'S COMMISSION OF TEN PERCENT (10%) OF THE UNPAID PRINCIPAL BALANCE AND ACCRUED INTEREST FOR COLLECTION, BUT IN ANY EVENT NOT LESS THAN FIVE HUNDRED DOLLARS (\$500) ON WHICH JUDGMENT OR JUDGMENTS ONE OR MORE EXECUTIONS MAY ISSUE IMMEDIATELY; AND FOR SO DOING, THIS NOTE OR A COPY OF THIS NOTE VERIFIED BY AFFIDAVIT SHALL BE SUFFICIENT WARRANT. THE AUTHORITY GRANTED IN THIS NOTE TO CONFESS JUDGMENT AGAINST BORROWER SHALL NOT BE EXHAUSTED BY ANY EXERCISE OF THAT AUTHORITY, BUT SHALL CONTINUE FROM TIME TO TIME AND AT ALL TIMES UNTIL PAYMENT IN FULL OF ALL AMOUNTS DUE UNDER THIS NOTE. BORROWER HEREBY WAIVES ANY RIGHT BORROWER MAY HAVE TO NOTICE OR TO A HEARING IN CONNECTION WITH ANY SUCH CONFESSION OF JUDGMENT AND STATES THAT EITHER A REPRESENTATIVE OF LENDER SPECIFICALLY CALLED THIS CONFESSION OF JUDGMENT PROVISION TO BORROWER'S ATTENTION OR BORROWER HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL.

PROMISSORY NOTE  
(Continued)

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

THIS NOTE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS NOTE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.

BORROWER:

SCENIC VIEW FAMILY RECREATION CENTER, INC.

By: Virginia L Novak (Seal)  
Virginia L. Novak, President of Scenic View Family  
Recreation Center, Inc.

By: Timothy M. Novak (Seal)  
Timothy M. Novak, Secretary/Treasurer of Scenic  
View Family Recreation Center, Inc.

Exhibit "B"

# CLEARFIELD COUNTY RECORDER OF DEEDS

Karen L. Starck, Recorder  
Maurene Inlow - Chief Deputy

P.O. Box 361  
1 North Second Street, Suite 103  
Clearfield, Pennsylvania 16830

**\*RETURN DOCUMENT TO:**  
S & T BANK

Instrument Number - 200418359  
Recorded On 11/12/2004 At 9:18:03 AM  
\* Instrument Type - MORTGAGE  
\* Total Pages - 13  
Invoice Number - 120552  
\* Mortgagor - NOVAK, TIMOTHY M  
\* Mortgagee - S & T BANK  
\* Customer - S & T BANK

**\*FEES**

STATE WRIT TAX	\$0.50
JCS/ACCESS TO JUSTICE	\$10.00
RECORDING FEES -	\$29.00
RECORDER	
RECORDER IMPROVEMENT	\$3.00
FUND	
COUNTY IMPROVEMENT FUND	\$2.00
TOTAL	\$44.50

Scenic View Family  
Timothy & Virginia Novak - Grantors  
CL 2000107074-200  
\$38,000

Rte 322 & Thunderbird Rd,  
Reynoldsville, PA

I hereby CERTIFY that this document  
is recorded in the Recorder's Office of  
Clearfield County, Pennsylvania.



*Karen L. Starck*  
Karen L. Starck  
Recorder of Deeds

THIS IS A CERTIFICATION PAGE

## Do Not Detach

THIS PAGE IS NOW PART OF THIS LEGAL DOCUMENT

\* Information denoted by an asterisk may change during the verification process and may not be reflected on this page.

RECORDATION  
REQUESTED BY:  
S&T BANK  
Commercial Lending  
PO Box 190  
Indiana, PA 15701

WHEN RECORDED MAIL  
TO:  
S&T Bank  
355 N 5th St  
Indiana, PA 15701

FOR RECORDER'S USE ONLY



### MORTGAGE

THIS MORTGAGE dated November 10, 2004, is made and executed between Timothy M. Novak and Virginia L. Novak, husband and wife, whose address is 28 Division St, DuBois, PA 15801-2520 (referred to below as "Grantor") and S&T BANK, whose address is PO Box 190, Indiana, PA 15701 (referred to below as "Lender").

**GRANT OF MORTGAGE.** For valuable consideration, Grantor grants, bargains, sells, conveys, assigns, transfers, releases, confirms and mortgages to Lender all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all streets, lanes, alleys, passages, and ways; all easements, rights of way, all liberties, privileges, tenements, hereditaments, and appurtenances thereunto belonging or anywise made appurtenant hereafter, and the reversions and remainders with respect thereto; all water, water rights, watercourses and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Clearfield County, Commonwealth of Pennsylvania:

Parcel Number 128-A04-000-00011

ALL that certain piece or parcel of land situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a stone marker being the southwest corner of herein described parcel and along the Jefferson and Clearfield County line, thence along said county line North 5 degrees 15 minutes 15 minutes 30 seconds East 1348.07 feet to an iron pin; thence along lands of which this was a part South 44 degrees 9 minutes 10 seconds East 610.0 feet to an iron pin; thence North 42 degrees 22 minutes 50 seconds East 170.0 feet to an iron pin; thence North 13 degrees 45 minutes 50 seconds East 975.10 feet to a point in State Highway route 322; thence by said highway South 81 degrees 40 minutes East 223.34 feet to a point; thence along lands of A. Johnston South 5 degrees 15 minutes 30 seconds West 2014.2 feet to a concrete marker; thence along lands of G. Walls North 86 degrees 16 minutes West 933.38 feet to the point of beginning.

CONTAINING 30.0 Acres

EXCEPTING AND RESERVING whatever reservations and exceptions that were contained in prior deeds.

FURTHER EXCEPTING AND RESERVING unto William I. Johnston et al, their heirs and assigns, the right and liberty at all times hereafter of using water from the well on the granted premises; with liberty from time to time with workmen to enter upon the land and to repair, cleanse, and maintain the well and the pipes leading therefrom to premises in Winslow Township, Jefferson County, Pennsylvania, described in deed from Iren I.

*Instrument # 200418359*

Johnston to William Ivan Johnston et al., dated March 27, 1979, and recorded in Jefferson County Deed Book 455 at page 930.

BEING the same premises conveyed to Timothy M. Novak and Virginia L. Novak, husband and wife, by deed of Timothy M. Novak and Virginia L. Novak, husband and wife, dated July 21, 2003, and recorded in the Office of Recorder of Deeds in and for Clearfield County, Pennsylvania as Instrument No. 200313088.

Parcel Number 128-A04-000-00200

ALL that certain piece or parcel of land situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a iron pin being the southwest corner of herein described parcel and along the Jefferson and Clearfield County line; thence along said county line North 5 degrees 15 minutes 30 seconds East 799.63 feet to a point in State Highway Route 322; thence by said highway South 76 degrees 43 minutes 40 seconds East 676.76 feet to a point, thence continuing along said highway South 81 degrees 32 minutes East 39.96 feet to a point; thence through the larger tract of which this was a part South 13 degrees 45 minutes 50 seconds West 975.10 feet to an iron pin; thence South 42 degrees 22 minutes 50 seconds West 170.0 to an iron pin; thence North 44 degrees 9 minutes 10 seconds West 610.0 feet to point of beginning.

**CONTAINING 14.4 Acres**

**WATER RIGHTS;** The parties of the first part grant unto the parties of the second part, heirs and assigns, the right to use the waters from a certain spring situated on the larger parcel of which this was a part of.

**EXCEPTING AND RESERVING** whatever reservations and exceptions that were contained in prior deeds.

**FURTHER EXCEPTING AND RESERVING** unto William I. Johnston et al, their heirs and assigns, the right and liberty at all times hereafter of using water from the well on the granted premises; with liberty from time to time with workmen to enter upon the land and to repair, cleanse, and maintain the well and the pipes leading therefrom to premises in Winslow Township, Jefferson County, Pennsylvania, described in deed from Iren I. Johnston to William Ivan Johnston et al., dated March 27, 1979, and recorded in Jefferson County Deed Book 455 at page 930.

BEING the same premises conveyed to Timothy M. Novak and Virginia L. Novak, husband and wife, by deed of Timothy M. Novak and Virginia L. Novak, husband and wife, dated July 21, 2003, and recorded in the Office of Recorder of Deeds in and for Clearfield County, Pennsylvania as Instrument No. 200313089.

The Real Property or its address is commonly known as Rte 322 & Thunderbird Rd, Reynoldsville, PA 15851. The Real Property parcel identification number is 128-A04-000-00011 and 128-A04-000-00200.

**CROSS-COLLATERALIZATION.** In addition to the Note, this Mortgage secures all obligations, debts and liabilities, plus interest thereon, of Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated whether Borrower or Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor presently assigns to Lender all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

**THIS MORTGAGE, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE IN THE ORIGINAL PRINCIPAL AMOUNT OF \$88,000.00, THE RELATED DOCUMENTS, AND THIS MORTGAGE. THIS MORTGAGE IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:**

**GRANTOR'S WAIVERS.** Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency"



law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

**GRANTOR'S REPRESENTATIONS AND WARRANTIES.** Grantor warrants that: (a) this Mortgage is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Mortgage and to hypothecate the Property; (c) the provisions of this Mortgage do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Mortgage, Borrower shall pay to Lender all indebtedness secured by this Mortgage as it becomes due, and Borrower and Grantor shall strictly perform all Borrower's and Grantor's obligations under this Mortgage.

**POSSESSION AND MAINTENANCE OF THE PROPERTY.** Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

**Possession and Use.** Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

**Duty to Maintain.** Grantor shall maintain the Property in tenable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

**Compliance With Environmental Laws.** Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Mortgage. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Mortgage, including the obligation to indemnify, shall survive the payment of the indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

**Nuisance, Waste.** Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

**Removal of Improvements.** Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

**Lender's Right to Enter.** Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Mortgage.

**Compliance with Governmental Requirements.** Grantor shall promptly comply with all laws, ordinances, and

regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

**Duty to Protect.** Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

**DUE ON SALE - CONSENT BY LENDER.** Lender may, at Lender's option, declare immediately due and payable all sums secured by this Mortgage upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Pennsylvania law.

**TAXES AND LIENS.** The following provisions relating to the taxes and liens on the Property are part of this Mortgage:

**Payment.** Grantor shall pay when due (and in all events prior to delinquency) all taxes, payroll taxes, special taxes, assessments, water charges and sewer service charges levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of any liens having priority over or equal to the interest of Lender under this Mortgage, except for the Existing Indebtedness referred to in this Mortgage or those liens specifically agreed to in writing by Lender, and except for the lien of taxes and assessments not due as further specified in the Right to Contest paragraph.

**Right to Contest.** Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

**Evidence of Payment.** Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

**Notice of Construction.** Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials and the cost exceeds \$5,000.00. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

**PROPERTY DAMAGE INSURANCE.** The following provisions relating to insuring the Property are a part of this Mortgage:

**Maintenance of Insurance.** Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Lender may require. Policies shall be written by such insurance companies and in such form as may be reasonably acceptable to Lender. Grantor shall deliver to Lender certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of fifteen (15) days' prior written notice to Lender and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of

Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

**Application of Proceeds.** Grantor shall promptly notify Lender of any loss or damage to the Property if the estimated cost of repair or replacement exceeds \$5,000.00. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Mortgage. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Mortgage, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

**Compliance with Existing Indebtedness.** During the period in which any Existing Indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such Existing Indebtedness shall constitute compliance with the insurance provisions under this Mortgage, to the extent compliance with the terms of this Mortgage would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loss, the provisions in this Mortgage for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

**LENDER'S EXPENDITURES.** If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Mortgage or any Related Documents, including but not limited to Grantor's failure to comply with any obligation to maintain Existing Indebtedness in good standing as required below, or to discharge or pay when due any amounts Grantor is required to discharge or pay under this Mortgage or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Mortgage also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default. Grantor's obligation to Lender for all such expenses shall survive the entry of any mortgage foreclosure judgment.

**WARRANTY: DEFENSE OF TITLE.** The following provisions relating to ownership of the Property are a part of this Mortgage:

**Title.** Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Mortgage, and (b) Grantor has the full right, power, and authority to execute and deliver this Mortgage to Lender.

**Defense of Title.** Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Lender under this Mortgage, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

**Compliance With Laws.** Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

**Survival of Representations and Warranties.** All representations, warranties, and agreements made by Grantor in

this Mortgage shall survive the execution and delivery of this Mortgage, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full.

**EXISTING INDEBTEDNESS.** The following provisions concerning Existing Indebtedness are a part of this Mortgage:

**Existing Lien.** The lien of this Mortgage securing the Indebtedness may be secondary and inferior to an existing lien. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing Indebtedness and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

**No Modification.** Grantor shall not enter into any agreement with the holder of any mortgage or other security agreement which has priority over this Mortgage by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.

**CONDEMNATION.** The following provisions relating to condemnation proceedings are a part of this Mortgage:

**Proceedings.** If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

**Application of Net Proceeds.** If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all actual costs, expenses, and attorneys' fees incurred by Lender in connection with the condemnation.

**IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.** The following provisions relating to governmental taxes, fees and charges are a part of this Mortgage:

**Current Taxes, Fees and Charges.** Upon request by Lender, Grantor shall execute such documents in addition to this Mortgage and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Mortgage, including, without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Mortgage.

**Taxes.** The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Mortgage or upon all or any part of the Indebtedness secured by this Mortgage; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Mortgage; (3) a tax on this type of Mortgage chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

**Subsequent Taxes.** If any tax to which this section applies is enacted subsequent to the date of this Mortgage, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

**SECURITY AGREEMENT; FINANCING STATEMENTS.** The following provisions relating to this Mortgage as a security agreement are a part of this Mortgage:

**Security Agreement.** This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

**Security Interest.** Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Mortgage in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Mortgage as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

**Addresses.** The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Mortgage may be obtained (each as required by the Uniform

Commercial Code) are as stated on the first page of this Mortgage.

**FURTHER ASSURANCES; ADDITIONAL AUTHORIZATIONS.** The following provisions relating to further assurances and additional authorizations are a part of this Mortgage:

**Further Assurances.** At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Grantor's obligations under the Note, this Mortgage, and the Related Documents, and (2) the liens and security interests created by this Mortgage on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

**Additional Authorizations.** If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably authorizes Lender to make, execute, deliver, file, record and do all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph. It is understood that nothing set forth herein shall require Lender to take any such actions.

**FULL PERFORMANCE.** If Borrower pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Mortgage, Lender shall execute and deliver to Grantor a suitable satisfaction of this Mortgage and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Grantor will pay, if permitted by applicable law, any reasonable termination fee as determined by Lender from time to time.

**EVENTS OF DEFAULT.** Each of the following, at Lender's option, shall constitute an Event of Default under this Mortgage:

**Payment Default.** Borrower fails to make any payment when due under the Indebtedness.

**Default on Other Payments.** Failure of Grantor within the time required by this Mortgage to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

**Other Defaults.** Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Mortgage or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

**Default in Favor of Third Parties.** Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's or any Grantor's property or Borrower's ability to repay the Indebtedness or Borrower's or Grantor's ability to perform their respective obligations under this Mortgage or any related document.

**False Statements.** Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Mortgage or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

**Defective Collateralization.** This Mortgage or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

**Death or Insolvency.** The dissolution or termination of Borrower's or Grantor's existence as a going business, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.

**Creditor or Forfeiture Proceedings.** Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the

dispute.

**Existing Indebtedness.** The payment of any installment of principal or any interest on the Existing Indebtedness is not made within the time required by the promissory note evidencing such indebtedness, or a default occurs under the instrument securing such indebtedness and is not cured during any applicable grace period in such instrument, or any suit or other action is commenced to foreclose any existing lien on the Property.

**Breach of Other Agreement.** Any breach by Borrower or Grantor under the terms of any other agreement between Borrower or Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Borrower or Grantor to Lender, whether existing now or later.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

**Adverse Change.** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

**Insecurity.** Lender in good faith believes itself insecure.

**RIGHTS AND REMEDIES ON DEFAULT.** Upon the occurrence of an Event of Default and at any time thereafter, Lender, at Lender's option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

**Accelerate Indebtedness.** Lender shall have the right at its option, after giving such notices as required by applicable law, to declare the entire Indebtedness immediately due and payable.

**UCC Remedies.** With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

**Collect Rents.** Lender shall have the right, without notice to Borrower or Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably authorizes Lender to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

**Appoint Receiver.** Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Judicial Foreclosure.** Lender may obtain a judicial decree foreclosing Grantor's interest in all or any part of the Property.

**Possession of the Property.** For the purpose of procuring possession of the Property, Grantor hereby authorizes and empowers any attorney of any court of record in the Commonwealth of Pennsylvania or elsewhere, as attorney for Lender and all persons claiming under or through Lender, to sign an agreement for entering in any competent court an amicable action in ejectment for possession of the Property and to appear for and confess judgment against Grantor, and against all persons claiming under or through Grantor, for the recovery by Lender of possession of the Property, without any stay of execution, for which this Mortgage, or a copy of this Mortgage verified by affidavit, shall be a sufficient warrant; and thereupon a writ of possession may be issued forthwith, without any prior writ or proceeding whatsoever.

**Nonjudicial Sale.** If permitted by applicable law, Lender may foreclose Grantor's interest in all or in any part of the Personal Property or the Real Property by non-judicial sale.

**Deficiency Judgment.** Lender may obtain a judgment for any deficiency remaining in the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this section.

**Tenancy at Sufferance.** If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1)

pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

**Other Remedies.** Lender shall have all other rights and remedies provided in this Mortgage or the Note or available at law or in equity.

**Sale of the Property.** To the extent permitted by applicable law, Borrower and Grantor hereby waives any and all right to have the Property marshalled. In exercising its rights and remedies, Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

**Notice of Sale.** Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Unless otherwise required by applicable law, reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

**Election of Remedies.** Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Mortgage, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies. Nothing under this Mortgage or otherwise shall be construed so as to limit or restrict the rights and remedies available to Lender following an Event of Default, or in any way to limit or restrict the rights and ability of Lender to proceed directly against Grantor and/or Borrower and/or against any other co-maker, guarantor, surety or endorser and/or to proceed against any other collateral directly or indirectly securing the indebtedness.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Mortgage, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

**NOTICES.** Unless otherwise provided by applicable law, any notice required to be given under this Mortgage shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Mortgage. All copies of notices of foreclosure from the holder of any lien which has priority over this Mortgage shall be sent to Lender's address, as shown near the beginning of this Mortgage. Any party may change its address for notices under this Mortgage by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided by applicable law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Mortgage:

**Amendments.** This Mortgage, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Mortgage. No alteration or amendment to this Mortgage shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Annual Reports.** If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

**Caption Headings.** Caption headings in this Mortgage are for convenience purposes only and are not to be used to interpret or define the provisions of this Mortgage.

**Governing Law.** This Mortgage will be governed by, construed and enforced in accordance with federal law and the laws of the Commonwealth of Pennsylvania. This Mortgage has been accepted by Lender in the Commonwealth of Pennsylvania.

**Choice of Venue.** If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the

courts of Clearfield County, Commonwealth of Pennsylvania.

**Joint and Several Liability.** All obligations of Borrower and Grantor under this Mortgage shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Borrower and Grantor signing below is responsible for all obligations in this Mortgage.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Mortgage unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Mortgage shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Mortgage. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Mortgage, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Severability.** If a court of competent jurisdiction finds any provision of this Mortgage to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Mortgage. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Mortgage shall not affect the legality, validity or enforceability of any other provision of this Mortgage.

**Merger.** There shall be no merger of the interest or estate created by this Mortgage with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

**Successor Interests.** The terms of this Mortgage shall be binding upon Grantor, and upon Grantor's heirs, personal representatives, successors, and assigns, and shall be enforceable by Lender and its successors and assigns.

**Time is of the Essence.** Time is of the essence in the performance of this Mortgage.

**Waive Jury.** All parties to this Mortgage hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Mortgage. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Mortgage shall have the meanings attributed to such terms in the Uniform Commercial Code:

**Borrower.** The word "Borrower" means Scenic View Family Recreation Center, Inc. and includes all co-signers and co-makers signing the Note.

**Default.** The word "Default" means the Default set forth in this Mortgage in the section titled "Default".

**Environmental Laws.** The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

**Event of Default.** The words "Event of Default" mean any of the events of default set forth in this Mortgage in the events of default section of this Mortgage.

**Existing Indebtedness.** The words "Existing Indebtedness" mean the indebtedness described in the Existing Liens provision of this Mortgage.

**Grantor.** The word "Grantor" means Timothy M. Novak and Virginia L. Novak.

**Guarantor.** The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

**Guaranty.** The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

**Hazardous Substances.** The words "Hazardous Substances" mean materials that, because of their quantity,



concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

**Improvements.** The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

**Indebtedness.** The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Mortgage, together with interest on such amounts as provided in this Mortgage. Specifically, without limitation, Indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Mortgage.

**Lender.** The word "Lender" means S&T BANK, its successors and assigns.

**Mortgage.** The word "Mortgage" means this Mortgage between Grantor and Lender.

**Note.** The word "Note" means the promissory note dated November 10, 2004, in the original principal amount of \$88,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

**Personal Property.** The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

**Property.** The word "Property" means collectively the Real Property and the Personal Property.

**Real Property.** The words "Real Property" mean the real property, interests and rights, as further described in this Mortgage.

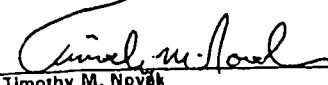
**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

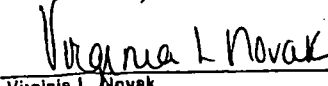
**Rents.** The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MORTGAGE, AND EACH GRANTOR AGREES TO ITS TERMS.

THIS MORTGAGE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS MORTGAGE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.

GRANTOR:

x  (Seal)  
Timothy M. Novak

x  (Seal)  
Virginia L. Novak

CERTIFICATE OF RESIDENCE

I hereby certify, that the precise address of the mortgagee, S&T BANK, herein is as follows:  
Commercial Lending, PO Box 190, Indiana, PA 15701

*RM Bannard*  
Attorney or Agent for Mortgagee

INDIVIDUAL ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF Clearfield

SS

On this, the 10<sup>th</sup> day of November, 2004, before me, Penny D. Orcutt, the undersigned Notary Public, personally appeared Timothy M. Novak and Virginia L. Novak, known to me (or satisfactorily proven) to be the person whose names are subscribed to the within instrument, and acknowledged that they executed the same for the purposes therein contained.

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

COMMONWEALTH OF PENNSYLVANIA

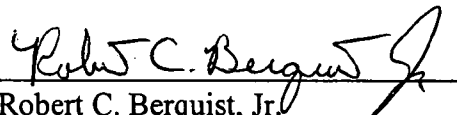
Notarial Seal  
Penny D. Orcutt, Notary Public  
City of DuBois, Clearfield County  
My Commission Expires Nov. 13, 2007

Member, Pennsylvania Association of Notaries

Notary Public in and for the State of P.A.

VERIFICATION

Robert C. Berquist, Jr., Vice President, and duly authorized representative of S&T Bank, deposes and says subject to the penalties of 18 Pa. C.S.A. §4904 relating to unsworn falsification to authorities that the facts set forth in the foregoing Complaint in Mortgage Foreclosure are true and correct to his information and belief.

  
Robert C. Berquist, Jr.  
Vice President  
S&T Bank

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DKT PG. 102054

S&T BANK

NO. 06-1714-CD

-VS-

TIMOTHY M. NOVAK and VIRGINIA L. NOVAK

COMPLAINT IN MORTGAGE FORECLOSURE

FILED

01/31/07  
FEB 16 2007

AMENDED  
SHERIFF'S RETURN


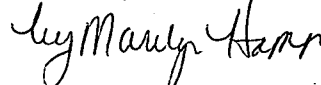
William A. Shaw  
Prothonotary/Clerk of Courts

NOW FEBRUARY 16, 2007 CHANGE SHERIFF COSTS FROM \$37.00 to \$36.00

SWORN TO BEFORE ME THIS

DAY OF 2007

SO ANSWERS,

CHESTER A. HAWKINS,  
SHERIFF

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,

Plaintiff,

vs.

TIMOTHY M. NOVAK and VIRGINIA  
L. NOVAK,

Defendants.

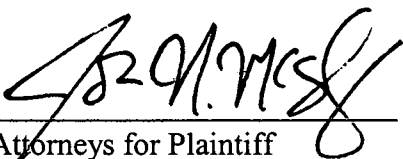
I hereby certify that the  
address of Plaintiff is:

800 Philadelphia Street  
Indiana, PA 15701

the last known address of  
Defendants is:

2613 Behringer Highway  
Reynoldsville, PA 15851

GRENN & BIRSIC, P.C.

  
Attorneys for Plaintiff

) CIVIL DIVISION

)

) NO.: 06-1714-CD

)

) ISSUE NUMBER:

)

) TYPE OF PLEADING:

)

) PROOF OF SERVICE

)

) CODE -

)

) FILED ON BEHALF OF:

)

) S&T BANK, Plaintiff

)

) COUNSEL OF RECORD FOR THIS

) PARTY:

)

) John N. McElroy

) Pa. I.D. #87529

)

)

) GRENN & BIRSIC, P.C.

)

) One Gateway Center

) Ninth Floor

) Pittsburgh, PA 15222

)

) (412) 281-7650

)

)

**FILED** No CC  
m/1:21/01  
FEB 20 2007  
(5)

William A. Shaw  
Prothonotary/Clerk of Courts

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

S&T BANK,	)	
	)	
	)	NO.: 06-1714-CD
	)	
Plaintiff,	)	
vs.	)	
	)	
TIMOTHY M. NOVAK and VIRGINIA	)	
L. NOVAK,	)	
	)	
	)	
Defendants.	)	

PROOF OF SERVICE

John N. McElroy, Attorney for Plaintiff, S&T Bank, being duly sworn according to law deposes and makes the following Affidavit regarding service of Plaintiff's Complaint in this matter on Defendants, Timothy M. Novak and Virginia L. Novak:

1. Pursuant to Judge Ammerman's Order of Court dated December 8, 2006, service of the Complaint in Mortgage Foreclosure upon Defendants was deemed complete and valid upon mailing by the Plaintiff by certified mail, return receipt requested, restricted delivery and by first class mail, postage prepaid addressed to Timothy M. Novak and Virginia L. Novak at 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851 and by posting a copy of the Complaint by the Sheriff of Clearfield County at the property located at 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851. A true and correct copy of said Order of Court is marked Exhibit "A", attached hereto and made a part hereof.

2. By letter dated January 9, 2007, Plaintiff mailed the Complaint in Mortgage Foreclosure to Defendant, Timothy M. Novak at 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851 by certified mail, return receipt requested, restricted delivery and by first class mail, postage prepaid. A true and correct copy of the Certificate of Mailing, evidencing service by first class mail on the identified Defendant, is marked Exhibit "B", attached hereto and made a part hereof.

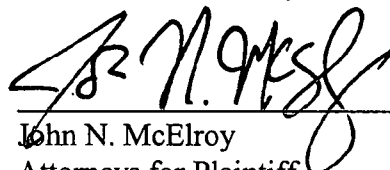
3. On or about January 16, 2007, Defendant received the Complaint in Mortgage Foreclosure as evidenced by the signed certified mail receipt. A true and correct copy of the U.S. Postal Service form 3811, evidencing service by certified mail on the identified Defendant, is marked Exhibit "C", attached hereto and made a part hereof.

4. On February 12, 2007, Plaintiff was advised by the Sheriff of Clearfield County that on January 10, 2007, Defendants were served with the Complaint by the Sheriff of Clearfield County posting the property located at 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851.

I verify that the facts contained in this Affidavit are true and correct based upon my personal knowledge, information, and belief.

GRENN & BIRSIC, P.C.

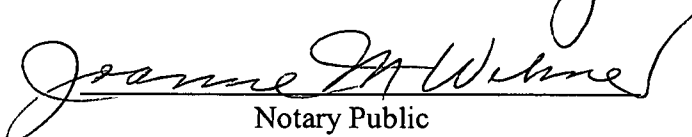
BY:

  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222

(412) 281-7650

SWORN TO AND SUBSCRIBED BEFORE ME

THIS 15th DAY OF February 2007.

  
Notary Public

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal  
Joanne M. Wenner, Notary Public  
City of Pittsburgh, Allegheny County  
My Commission Expires June 19, 2009

Member, Pennsylvania Association of Notaries

Exhibit "A"



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

No.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

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

DEC 08 2006

Attest.

*William L. Brown*  
Prothonotary/  
Clerk of Courts

ORDER OF COURT

AND NOW, to wit, this 8 day of Dec., 2006, upon consideration of the within Motion for Service of the Complaint in Mortgage Foreclosure Property Pursuant to Special Order of Court, it is hereby ORDERED, ADJUDGED and DECREED that Plaintiff is permitted to serve Defendants, Timothy M. Novak and Virginia L. Novak, by mailing a true and correct copy of the Complaint in Mortgage Foreclosure by certified mail, return receipt requested, restricted delivery and by first class mail, postage pre-paid to Timothy M. Novak and Virginia L. Novak at 2613 Behringer Highway, Reynoldsville, PA 15851 and by directing the Sheriff of Clearfield County to post the property at 2613 Behringer Highway, Reynoldsville, PA 15851. Service of the Complaint shall be deemed complete and valid upon mailing by the Plaintiff and posting by the Sheriff.

BY THE COURT:

/s/ Fredric J. Ammerman

\_\_\_\_\_  
J.

Exhibit "B"

U.S. POSTAL SERVICE CERTIFICATE OF MAILING

MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT PROVIDE FOR INSURANCE-POSTMASTER

Received From: Cronen & Dirich, P.C.  
One Gateway Center, Third Floor  
Philadelphia, PA 19102

One piece of ordinary mail addressed to:  
William M. Cronen  
2613 Behringer Avenue  
Reynoldsville, PA 15851



UNITED STATES POSTAGE  
 02 1P  
 0002421379 JAN 09 2007  
 \$00.950  
 MAILED FROM ZIP CODE 15222

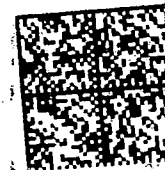
PS Form 3817, January 2001

U.S. POSTAL SERVICE CERTIFICATE OF MAILING

MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT PROVIDE FOR INSURANCE-POSTMASTER

Received From: Cronen & Dirich, P.C.  
One Gateway Center, Third Floor  
Philadelphia, PA 19102

One piece of ordinary mail addressed to:  
Virginia J. Cronen  
2613 Behringer Avenue  
Reynoldsville, PA 15851



UNITED STATES POSTAGE  
 02 1P  
 0002421379 JAN 09 2007  
 \$00.950  
 MAILED FROM ZIP CODE 15222

PS Form 3817, January 2001

Exhibit "C"

## SENDER: COMPLETE THIS SECTION

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

## 1. Article Addressed to:

TIMOTHY M. NOVAK  
2613 BEHRINGER HWY.  
REYNOLDSVILLE, PA  
15851

## COMPLETE THIS SECTION ON DELIVERY

## A. Signature

X *Tim Novak*

☐ Agent  
☒ Addressee

## B. Received by (Printed Name)

TIM NOVAK

## C. Date of Delivery

1-16-07

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

## 3. Service Type

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

## 4. Restricted Delivery? (Extra Fee)

☒ Yes

7005 1820 0004 0636 6103

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-154

## SENDER: COMPLETE THIS SECTION

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

## 1. Article Addressed to:

VIRGINIA L. NOVAK  
2613 BEHRINGER HWY  
REYNOLDSVILLE, PA  
15851

## COMPLETE THIS SECTION ON DELIVERY

## A. Signature

X *Tim Novak*

☐ Agent  
☒ Addressee

## B. Received by (Printed Name)

TIM NOVAK

## C. Date of Delivery

1-16-07

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

## 3. Service Type

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

## 4. Restricted Delivery? (Extra Fee)

☒ Yes

7005 1820 0004 0636 6110

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-154

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

S&T BANK,

)

)

) NO.: 06-1714-CD

)

)

Plaintiff,

)

vs.

)

)

TIMOTHY M. NOVAK and VIRGINIA

)

L. NOVAK,

)

)

)

)

Defendants.

)

CERTIFICATE OF SERVICE

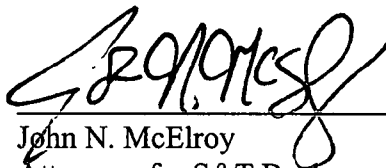
The undersigned hereby certifies that a true and correct copy of the foregoing Proof of Service was mailed by First Class Mail, Postage Prepaid, on this 14<sup>th</sup> day of February, 2007 to the following:

Timothy M. Novak  
2613 Behringer Highway  
Reynoldsville, PA 15851

Virginia L. Novak  
2613 Behringer Highway  
Reynoldsville, PA 15851

GRENN & BIRSIC, P.C.

BY:



John N. McElroy  
Attorneys for S&T Bank  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650  
Pa. I.D.#87529

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,

Plaintiff,

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

) CIVIL DIVISION

)

) No.: 06-1714-CD

)

) ISSUE NUMBER:

)

) TYPE OF PLEADING:

)

) MOTION DIRECTING SHERIFF OF

) CLEARFIELD COUNTY TO MAKE

) RETURN OF SERVICE OF COMPLAINT

) PURSUANT TO SPECIAL ORDER OF COURT

) AND ORDER OF COURT

)

) CODE -

)

) FILED ON BEHALF OF:

)

) S&T BANK, Plaintiff

)

)

) COUNSEL OF RECORD FOR THIS

) PARTY:

)

) John N. McElroy

) Pa. I.D.87529

)

)

)

) GRENN & BIRSIC, P.C.

) One Gateway Center, Ninth Floor

) Pittsburgh, PA 15222

)

) (412) 281-7650

)

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FILED  
MAR 15 2007  
M/10:54/20 CC  
to Mary  
CR

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

No.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

MOTION DIRECTING THE SHERIFF OF CLEARFIELD COUNTY TO MAKE  
RETURN OF SERVICE OF COMPLAINT  
PURSUANT TO SPECIAL ORDER OF COURT

Plaintiff, S&T Bank, by and through its attorneys, GRENEN & BIRSIC, P.C., files the within Motion Directing the Sheriff of Clearfield County to Make Return of Service of Complaint Pursuant to Special Order of Court as follows:

1. On or about October 19, 2006, Plaintiff filed a Civil Action - Complaint in Mortgage Foreclosure against the Defendants at the above-captioned number and term.
2. Plaintiff delivered to the Sheriff of Clearfield County copies of the Civil Action - Complaint in Mortgage Foreclosure filed by Plaintiff at the above-captioned number and term along with Sheriff directions requesting that Defendants be served copies of the Complaint at their last known address being 2613 Behringer Highway, Reynoldsville, PA 15851. True and correct copies of the Directions to Sheriff are marked Exhibit "A", attached hereto and made a part hereof.
3. Plaintiff was advised on November 2, 2006, that several attempts were made to serve Defendants with the Complaint but there was no answer. However, Plaintiff did not receive Sheriff Returns until February 2, 2007. True and correct copies of the Sheriff's Return are marked Exhibit "B", attached hereto and made a part hereof.



4. On or about December 7, 2006 Plaintiff filed a Motion for Special Service of Complaint in Mortgage Foreclosure.

5. On December 8, 2006, the Honorable Fredric J. Ammerman granted Plaintiff's Motion which Order of Court permitted Plaintiff to serve Defendants by mailing true and correct copies of the Complaint by certified mail, return receipt requested, restricted delivery and first class mail, postage prepaid to Timothy M. Novak and Virginia L. Novak at 2613 Behringer Highway, Reynoldsville, PA 15851 and by directing the Sheriff of Clearfield County to post the property at 2613 Behringer Highway, Reynoldsville, PA 15851. A true and correct copy of said Order of Court is marked Exhibit "C", attached hereto and made a part hereof.

6. On or about January 9, 2007, Plaintiff mailed the Complaint in Mortgage Foreclosure to Defendants, Timothy M. Novak and Virginia L. Novak at 2613 Behringer Highway, Reynoldsville, PA 15851, by certified mail, return receipt requested, restricted delivery and first class mail, postage prepaid. True and correct copies of the Certificates of Mailing, evidencing service by first class mail on the identified Defendant, is marked Exhibit "D", attached hereto and made a part hereof.

7. On or about January 16, 2007, Defendants received the Complaint in Mortgage Foreclosure as evidenced by the signed certified mail receipts. True and correct copies of the signed certified mail receipts, evidencing service by certified mail on the identified Defendants are marked Exhibit "E", attached hereto and made a part hereof.

8. On February 12, 2007, Plaintiff was advised by the Sheriff's Office that on or about January 10, 2007, the Sheriff of Clearfield County served Defendants with the Complaint by posting the property at 2613 Behringer Highway, Reynoldsville, PA 15851.

9. On or about March 5, 2007, Plaintiff mailed a Default Judgment and Praecipe for Writ of Execution to the Prothonotary for filing.

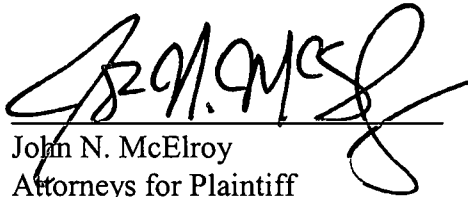
10. On or about March 12, 2007, the Prothonotary returned the Default Judgment Praecipe for Writ of Execution to Plaintiff and advised Plaintiff that Judgment could not be entered and Writ of Execution could not be filed until the Sheriff makes a return of service showing posting of the Complaint.

11. On March 12, 2007, Plaintiff was advised by the Sheriff's Office that all Returns are made to the Prothonotary in the order they are received and the Sheriff's Office is currently working on Returns from December and does not know when a Return will be made.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court direct the Sheriff of Clearfield County to immediately make a Return of Service of the Complaint to the Prothonotary so that Judgment can be entered, the Writ of Execution be filed and property scheduled for Sheriff Sale.

GRENN & BIRSIC, P.C.

BY:



John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center-Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

Exhibit "A"

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.:

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

SHERIFF DIRECTIONS

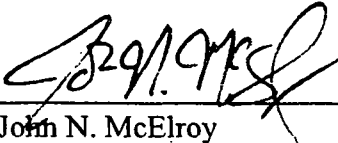
TO: SHERIFF

SIR:

Please serve Defendant Timothy M. Novak OR an adult member of the family with whom he resides OR an adult person in charge of the residence with a copy of the Complaint in Mortgage Foreclosure at 2613 Behringer Highway, Reynoldsville, PA 15851.

GRENN & BIRSIC, P.C.

BY:



John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center  
Ninth Floor  
Pittsburgh, PA 15222  
Pa. I.D. #87529

(412) 281-7650

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.:

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

SHERIFF DIRECTIONS

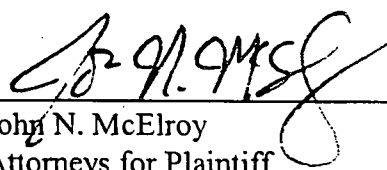
TO: SHERIFF

SIR:

Please serve Defendant Virginia L. Novak OR an adult member of the family with whom she resides OR an adult person in charge of the residence with a copy of the Complaint in Mortgage Foreclosure at 2613 Behringer Highway, Reynoldsville, PA 15851.

GRENN & BIRSIC, P.C.

BY:

  
\_\_\_\_\_  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center  
Ninth Floor  
Pittsburgh, PA 15222  
Pa. I.D. #87529

(412) 281-7650

Exhibit "B"

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

Service # 1 of 2 Services

Sheriff Docket # **102054**

**S&T BANK**

Case # 06-1714-CD

VS.

**TIMOTHY M. NOVAK and VIRGINIA L. NOVAK**

COPY

TYPE OF SERVICE COMPLAINT IN MORTGAGE FORECLOSURE

**SHERIFF RETURNS**

NOW February 02, 2007 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURNED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT FOUND" AS TO TIMOTHY M. NOVAK, DEFENDANT. ATTEMPTED, NOT HOME.

SERVED BY: /

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

Service # 2 of 2 Services

Sheriff Docket #

**102054**

**S&T BANK**

Case #

**06-1714-CD**

vs.

**TIMOTHY M. NOVAK and VIRGINIA L. NOVAK**

**TYPE OF SERVICE COMPLAINT IN MORTGAGE FORECLOSURE**

**SHERIFF RETURNS**

NOW February 02, 2007 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURNED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT FOUND" AS TO VIRGINIA L. NOVAK, DEFENDANT. ATTEMPTED, NOT HOME.

SERVED BY: /



Exhibit "C"

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

No.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

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

DEC 08 2006

Defendants.

Attest.

*William E. Brown*  
Prothonotary/  
Clerk of Courts

ORDER OF COURT

AND NOW, to wit, this 8 day of Dec., 2006, upon consideration of the within Motion for Service of the Complaint in Mortgage Foreclosure Property Pursuant to Special Order of Court, it is hereby ORDERED, ADJUDGED and DECREED that Plaintiff is permitted to serve Defendants, Timothy M. Novak and Virginia L. Novak, by mailing a true and correct copy of the Complaint in Mortgage Foreclosure by certified mail, return receipt requested, restricted delivery and by first class mail, postage pre-paid to Timothy M. Novak and Virginia L. Novak at 2613 Behringer Highway, Reynoldsville, PA 15851 and by directing the Sheriff of Clearfield County to post the property at 2613 Behringer Highway, Reynoldsville, PA 15851. Service of the Complaint shall be deemed complete and valid upon mailing by the Plaintiff and posting by the Sheriff.

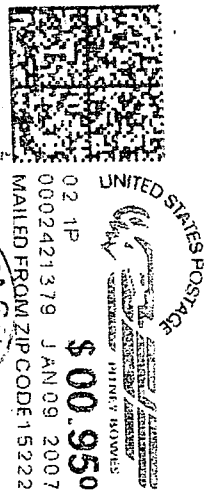
BY THE COURT:

/s/ Fredric J. Ammerman

\_\_\_\_\_  
J.

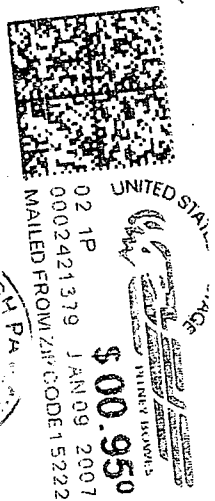
Exhibit "D"

U.S. POSTAL SERVICE	CERTIFICATE OF MAILING
MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT PROVIDE FOR INSURANCE-POSTMASTER	
Received From: _____	
One piece of ordinary mail addressed to: <i>Wm. M. Wood</i> <i>2613 Behrns Highway</i> <i>Reynoldsville Pa 15851</i>	



PS Form 3817, January 2001

U.S. POSTAL SERVICE	CERTIFICATE OF MAILING
MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT PROVIDE FOR INSURANCE-POSTMASTER	
Received From: _____	
One piece of ordinary mail addressed to: <i>Virginia J. Wood</i> <i>2613 Behrns Highway</i> <i>Reynoldsville Pa 15851</i>	



PS Form 3817, January 2001

Exhibit "E"

## SENDER: COMPLETE THIS SECTION

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

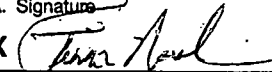
## 1. Article Addressed to:

TIMOTHY M. NOVAK  
2613 BEHRINGER HWY.  
REYNOLDSVILLE, PA  
15851

## COMPLETE THIS SECTION ON DELIVERY

## A. Signature

X


☐ Agent☒ Addressee

## B. Received by (Printed Name)

TIM NOVAK

## C. Date of Delivery

1-16-07

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

## 3. Service Type

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

## 4. Restricted Delivery? (Extra Fee)

☒ Yes

7005 1820 0004 0636 6103

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

## SENDER: COMPLETE THIS SECTION

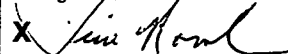
- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

VIRGINIA L. NOVAK  
2613 BEHRINGER HWY  
REYNOLDSVILLE, PA  
15851

## COMPLETE THIS SECTION ON DELIVERY

## A. Signature


☐ Agent☒ Addressee

## B. Received by (Printed Name)

TIM NOVAK

## C. Date of Delivery

1-16-07

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

## 3. Service Type

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

## 4. Restricted Delivery? (Extra Fee)

☒ Yes

7005 1820 0004 0636 6110

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the within Motion Directing the Sheriff of Clearfield County to Make Return of Service of Complaint Pursuant to Special Order of Court was mailed to the following on this 13<sup>th</sup> day of March, 2007, by first class, U.S. Mail, postage pre-paid:

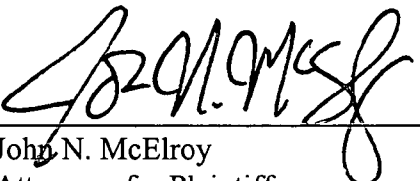
Timothy M. Novak  
2613 Behringer Highway  
Reynoldsville, PA 15851

Virginia L. Novak  
2613 Behringer Highway  
Reynoldsville, PA 15851

Clearfield County Sheriff's Office  
Clearfield County Courthouse  
230 East Market Street  
Clearfield, PA 16830

GRENN & BIRSIC, P.C.

BY:

  
\_\_\_\_\_  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center-Ninth Floor  
Pittsburgh, PA 15222

(412) 281-7650

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

No.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

ORDER OF COURT

AND NOW, to wit, this \_\_\_\_ day of \_\_\_\_\_, 2007, upon consideration of the within Motion Directing the Sheriff of Clearfield County to Make Return of Service of Complaint Pursuant to Special Order of Court, it is hereby ORDERED, ADJUDGED and DECREED that the Sheriff of Clearfield County is directed to immediately make a Return of Service of the Complaint to the Prothonotary so that Judgment can be entered, the Writ of Execution be filed and property scheduled for Sheriff Sale.

BY THE COURT:

\_\_\_\_\_. J.



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

S & T BANK,  
Plaintiff

v.

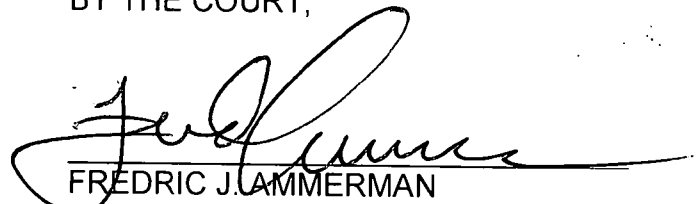
TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,  
Defendants

NO. 06-1714-CD

**ORDER**

NOW, this 15<sup>th</sup> day of March, 2007, the Court noting the difficulties caused relative no Sheriff's Return having yet been filed with the Prothonotary, and in consideration of Pa. R.C.P. 405 (a) and the Plaintiff's Motion to Compel Sheriff to Prosess Return of Service, it is the ORDER of this Court that the Sheriff cause a Return of Service to be filed with the Prothonotary by no later than 3:30 p.m. on Friday, March 16, 2007. The Prothonotary shall notify the Court as to the filing of the return.

BY THE COURT,

  
FREDRIC J. AMMERMAN  
President Judge

**FILED**

@ 2:11 P.M. 6K  
MAR 15 2007

William A. Shaw  
Prothonotary/Clerk of Courts

1 cc Sheriff

ICC Atty McElroy

(GK)

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102314  
NO: 06-1714-CD  
SERVICE # 1 OF 2  
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: S&T BANK

vs.

DEFENDANT: TIMOTHY M NOVAK and VIRGINIA L. NOVAK

SHERIFF RETURN

NOW, January 10, 2007 AT 2:17 PM POSTED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE AT  
2613 BEHRINGER HIGHWAY, REYNOLDSVILLE, CLEARFIELD COUNTY, PENNSYLVANIA. (TIMOTHY M. NOVAK)

SERVED BY: NEVLING / COUDRIET

FILED

01/12/2007  
MAR 16 2007

William A. Shaw  
Prothonotary/Clerk of Courts

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

DOCKET # 102314  
NO: 06-1714-CD  
SERVICE # 2 OF 2  
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: S&T BANK

VS.

DEFENDANT: TIMOTHY M NOVAK and VIRGINIA L. NOVAK

**SHERIFF RETURN**

---

NOW, January 10, 2007 AT 2:17 PM POSTED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE AT  
2613 BEHRINGER HIGHWAY, REYNOLDSVILLE, CLEARFIELD COUNTY, PENNSYLVANIA.(VIRGINIA L. NOVAK)

SERVED BY: NEVLING / COUDRIET

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102314  
NO: 06-1714-CD  
SERVICES 2  
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: S&T BANK  
vs.  
DEFENDANT: TIMOTHY M NOVAK and VIRGINIA L. NOVAK

SHERIFF RETURN

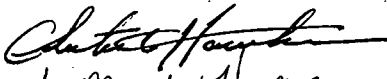
RETURN COSTS

Description	Paid By	CHECK #	AMOUNT
SURCHARGE	GRENN	90040	20.00
SHERIFF HAWKINS	GRENN	90040	46.34

Sworn to Before Me This

\_\_\_\_\_ Day of \_\_\_\_\_ 2007

So Answers,

  
by Marilyn Harris  
Chester A. Hawkins  
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,

Plaintiff,

vs.

TIMOTHY M. NOVAK and VIRGINIA  
L. NOVAK,

Defendants.

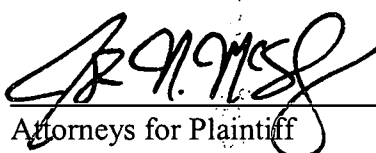
I hereby certify that the  
address of Plaintiff is:

800 Philadelphia Street  
Indiana, PA 15701

the last known address of  
Defendants is:

2613 Behringer Highway  
Reynoldsville, PA 15851

GRENN & BIRSIC, P.C.

  
Attorneys for Plaintiff

) CIVIL DIVISION

)

) No.: 06-1714-CD

)

)

) ISSUE NUMBER:

)

) TYPE OF PLEADING:

)

) PRAECIPE FOR DEFAULT JUDGMENT

) (Mortgage Foreclosure)

)

)

)

) CODE -

)

) FILED ON BEHALF OF:

)

) S&T BANK, Plaintiff

)

)

) COUNSEL OF RECORD FOR THIS

) PARTY:

)

) John N. McElroy

) Pa. I.D. #87529

)

)

) GRENN & BIRSIC, P.C.

) One Gateway Center

) Ninth Floor

) Pittsburgh, PA 15222

)

) (412) 281-7650

)

)

**FILED** *Attg pd. 20.00*  
*m/12:50/61*  
**MAR 22 2007** *Notice to*  
*Self.*  
William A. Shaw *Statement to*  
Prothonotary/Clerk of Courts *Attg*  
*(6K)*

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

PRAECIPE FOR DEFAULT JUDGMENT

TO: PROTHONOTARY

SIR:

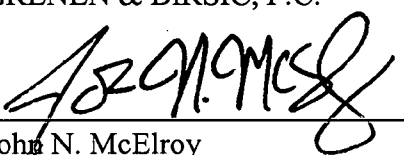
Please enter a default judgment in the above-captioned case in favor of Plaintiff and against Defendants, Timothy M. Novak and Virginia L. Novak, in the amount of \$74,394.56, which is itemized as follows:

Principal	\$67,189.23
Interest to 2/26/07	\$ 2,921.17
Late Charges to 2/26/07	\$ 534.16
Mortgage Foreclosure Attorneys' fees	\$ 1,000.00
Title Search, Foreclosure and Execution Costs	\$ <u>2,750.00</u>
TOTAL	\$74,394.56

with interest on the Principal sum at the rate of \$12.67 per diem from February 26, 2007, and additional late charges, additional reasonable and actually incurred attorneys' fees, plus costs and for foreclosure and sale of the mortgaged premises.

GRENNEN & BIRSIC, P.C.

BY:

  
John N. McElroy  
Attorneys for Plaintiff

AFFIDAVIT OF NON-MILITARY SERVICE  
AND CERTIFICATE OF MAILING OF NOTICE OF  
INTENT TO TAKE DEFAULT JUDGMENT

COMMONWEALTH OF PENNSYLVANIA

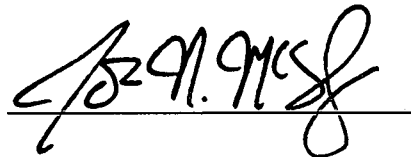
)

) SS:

COUNTY OF ALLEGHENY

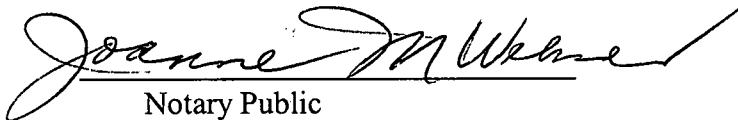
)

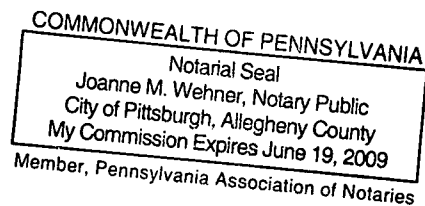
Before me, the undersigned authority, a Notary Public in and for said County and Commonwealth, personally appeared John N. McElroy, Esquire, attorney for and authorized representative of Plaintiff who, being duly sworn according to law, deposes and says that Defendants, Timothy M. Novak and Virginia L. Novak are not in the military service of the United States of America to the best of his knowledge, information and belief and **certifies that the Notices of Intent to take Default Judgment were mailed in accordance with Pa. R.C.P. 237.1, as evidenced by the attached copies.**



Sworn to and subscribed before me

this 16<sup>th</sup> day of March, 2007.

  
Notary Public



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

S&T BANK,

Plaintiff,

vs.,

TIMOTHY M. NOVAK and VIRGINIA  
L. NOVAK,

Defendant.

)  
)  
)  
) NO.: 06-1714-CD  
)  
)  
)  
)

TO: Timothy M. Novak  
2613 Behringer Highway  
Reynoldsville, PA 15851

DATE OF NOTICE: February 12, 2007

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.

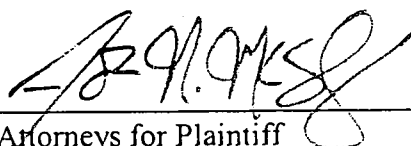
YOU SHOULD TAKE THIS NOTICE TO A LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

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.

David S. Meholick, Court Administrator  
Clearfield County Courthouse  
Clearfield, PA 16380  
(814) 765-2641 Ext. 5982

GRENN & BIRSIC, P.C.

By:

  
Attorneys for Plaintiff  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

FIRST CLASS MAIL, POSTAGE PREPAID



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

S&T BANK,

Plaintiff,

vs.

TIMOTHY M. NOVAK and VIRGINIA  
L. NOVAK,

Defendant.

)  
)  
)  
) NO.: 06-1714-CD  
)  
)  
)  
)

TO: Virginia L. Novak  
2613 Behringer Highway  
Reynoldsville, PA 15851

DATE OF NOTICE: February 12, 2007

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.

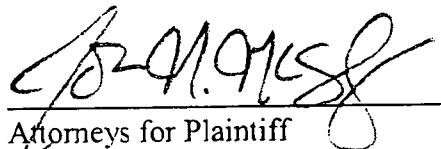
YOU SHOULD TAKE THIS NOTICE TO A LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

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.

David S. Meholick, Court Administrator  
Clearfield County Courthouse  
Clearfield, PA 16380  
(814) 765-2641 Ext. 5982

GRENN & BIRSIC, P.C.

By:

  
Attorneys for Plaintiff  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

FIRST CLASS MAIL, POSTAGE PREPAID



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

COPY

S & T Bank  
Plaintiff(s)

No.: 2006-01714-CD

Real Debt: \$74,394.56

Atty's Comm: \$

Vs.

Costs: \$

Int. From: \$

Timothy M. Novak  
Virginia L. Novak  
Defendant(s)


Entry: \$20.00

Instrument: Default Judgment

Date of Entry: March 22, 2007

Expires: March 22, 2012

Certified from the record this 22nd day of March, 2007.



William A. Shaw, Prothonotary

\*\*\*\*\*

SIGN BELOW FOR SATISFACTION

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

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

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,

Plaintiff,

vs.

TIMOTHY M. NOVAK and VIRGINIA  
L. NOVAK,

Defendants.

) CIVIL DIVISION

)

)

) NO.: 06-1714-CD

)

)

)

) ISSUE NO.:

)

)

)

) TYPE OF PLEADING

)

) Praeipie for Writ of Execution

) (Mortgage Foreclosure)

)

) CODE -

)

) FILED ON BEHALF OF:

)

)

) S&T BANK, Plaintiff

)

)

) COUNSEL OF RECORD FOR THIS PARTY:

)

) John N. McElroy

) Pa.I.D. 87529

)

) GRENN & BIRSIC, P.C.

)

)

) One Gateway Center, Ninth Floor

) Pittsburgh, PA 15222

)

) (412) 281-7650

)

)

**FILED** *1cc 96*  
*m 12:50 PM* *Writs w/*  
**MAR 22 2007** *Prop. descr.*  
*to Sheriff*

William A. Shaw *Atty pd.*  
Prothonotary/Clerk of Courts *20.00*

*CR*

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

PRAECIPE FOR WRIT OF EXECUTION  
(MORTGAGE FORECLOSURE)

TO: Prothonotary

SIR:

Please issue a Writ of Execution, directed to the Sheriff of Clearfield County, against the Defendants, Timothy M. Novak and Virginia L. Novak, as follows:

Principal	\$67,189.23
Interest to 5/1/07	\$ 3,732.22
Late Charges to 5/1/07	\$ 534.16
Mortgage Foreclosure Attorneys' fees	\$ 1,000.00
Title Search, Foreclosure and Execution Costs	\$ 2,750.00
TOTAL	\$75,205.61

13200 Prothonotary costs

GRENN & BIRSIC, P.C.

By:

  
Attorneys for Plaintiff

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

S & T Bank

Vs.

NO.: 2006-01714-CD

Timothy M. Novak and Virginia L. Novak

COPY

**TO THE SHERIFF OF CLEARFIELD COUNTY:**

To satisfy the debt, interest and costs due S & T BANK, Plaintiff(s) from TIMOTHY M. NOVAK and VIRGINIA L. NOVAK, Defendant(s):

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

(2) You are also directed to attach the property of the defendant(s) not levied upon in the possession of:

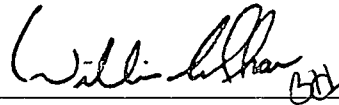
Garnishee(s) as follows:

and to notify the garnishee(s) that: (a) an attachment has been issued; (b) the garnishee(s) is/are enjoined from paying any debt to or for the account of the defendant(s) and from delivering any property of the defendant(s) or otherwise disposing thereof;

(3) If property of the defendant(s) not levied upon and subject to attachment is found in the possession of anyone other than a named garnishee, you are directed to notify him/her that he/she has been added as a garnishee and is enjoined as above stated.

AMOUNT DUE/PRINCIPAL:.....\$67,189.23  
INTEREST to 5/1/07:.....\$3,732.22  
ATTY'S COMM: \$  
TITLE SEARCH, FORECLOSURE  
and EXECUTION COSTS:.....\$2,750.00  
DATE: 03/22/2007

PROTHONOTARY'S COSTS PAID:.....\$132.00  
SHERIFF: \$  
OTHER COSTS: \$  
LATE CHARGES to 5/1/07:.....\$534.16  
MORTGAGE FORECLOSURE and  
ATTORNEY'S FEES:.....\$1,000.00



William A. Shaw  
Prothonotary/Clerk Civil Division

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

\_\_\_\_\_  
Sheriff

Requesting Party: John N. McElroy  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

LONG FORM DESCRIPTION

PARCEL I - NUMBER 128-A04-000-00011:

ALL that certain piece or parcel of land situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a stone marker being the southwest corner of herein described parcel and along the Jefferson and Clearfield County line, thence along said county line North 5 degrees 15 minutes 15 minutes 30 seconds East 1348.07 feet to an iron pin; thence along lands of which this was a part South 44 degrees 9 minutes 10 seconds East 610.0 feet to an iron pin; thence North 42 degrees 22 minutes 50 seconds East 170.0 feet to an iron pin; thence North 13 degrees 45 minutes 50 seconds East 975.10 feet to a point in State Highway route 322; thence by said highway South 81 degrees 40 minutes East 223.34 feet to a point; thence along lands of A. Johnston South 5 degrees 15 minutes 30 seconds West 2014.2 feet to a concrete marker; thence along lands of G. Walls North 86 degrees 16 minutes West 933.38 feet to the point of beginning.

CONTAINING 30.0 Acres

EXCEPTING AND RESERVING whatever reservations and exceptions that were contained in prior deeds.

FURTHER EXCEPTING AND RESERVING unto William I. Johnston et al, their heirs and assigns, the right and liberty at all times hereafter of using water from the well on the granted premises; with liberty from time to time with workmen to enter upon the land and to repair, cleanse, and maintain the well and the pipes leading therefrom to premises in Winslow Township, Jefferson County, Pennsylvania, described in deed from Iren I. Johnston to William Ivan Johnston et al., dated March 27, 1979, and recorded in Jefferson County Deed Book 455 at page 930.

BEING the same property which Timothy M. Novak and Virginia L. Novak, husband and wife, granted and conveyed to Timothy M. Novak and Virginia L. Novak, husband and wife, by Deed dated July 21, 2003 and recorded July 23, 2003, in the Recorder of Deeds Office, Clearfield County, Pennsylvania, in Instrument No. 200313088.

PARCEL II - NUMBER 128-A04-000-00200:

ALL that certain piece or parcel of land situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at an iron pin being the southwest corner of herein described parcel and along the Jefferson and Clearfield County line; thence along said county line North 5 degrees 15 minutes 30 seconds East 799.63 feet to a point in State Highway Route 322; thence by said highway South 76 degrees 43 minutes 40 seconds East 676.76 feet to a point; thence continuing along said highway



South 81 degrees 32 minutes East 39.96 feet to a point; thence through the larger tract of which this was a part South 13 degrees 45 minutes 50 seconds West 975. 10 feet to an iron pin; thence South 42 degrees 22 minutes 50 seconds West 170.0 to an iron pin; thence North 44 degrees 9 minutes 10 seconds West 610.0 feet to point of beginning.

CONTAINING 14.4 Acres.

WATER RIGHTS: The parties of the first part grant unto the parties of the second part, heirs and assigns, the right to use the waters from a certain spring situated on the larger parcel of which this was a part of.

EXCEPTING AND RESERVING whatever reservations and exceptions that were contained in prior deeds.

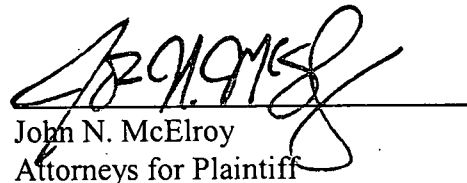
FURTHER EXCEPTING AND RESERVING unto William I. Johnston et al, their heirs and assigns, the right and liberty at all times hereafter of using water from the well on the granted premises; with liberty from time to time with workmen to enter upon the land and to repair, cleanse, and maintain the well and the pipes leading therefrom to premises in Winslow Township, Jefferson County, Pennsylvania, described in deed from Iren I. Johnston to William Ivan Johnston et al., dated March 27, 1979, and recorded in Jefferson County Deed Book 455 at page 930.

BEING the same property which Timothy M. Novak and Virginia L. Novak, husband and wife, granted and conveyed to Timothy M. Novak and Virginia L. Novak, husband and wife, by Deed dated July 21, 2003 and recorded July 23, 2003, in the Recorder of Deeds Office, Clearfield County, Pennsylvania, in Instrument No. 200313089.

The Real Property or its address is commonly known as Route 322 and Thunderbird Road,  
Reynoldsville, Pennsylvania 15851. The Real Property parcel identification number is 128-A04-  
000-00011 and 128-A04-000-00200.

GRENN & BIRSIC, P.C.

By:

  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

PARCEL I:

Instrument No. 200313088

Parcel No. 128-A04-000-00011

PARCEL II:

Instrument No. 200313089

Parcel No. 128-A04-000-00200

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DKT PG. 102314

2 services

S&T BANK

NO. 06-1714-CD

-VS-

TIMOTHY M. NOVAK & VIRGINIA L. NOVAK

COMPLAINT IN MORTGAGE FORECLOSURE

AMENDED  
SHERIFF'S RETURN

---


NOW APRIL 26, 2007 CHANGE SHERIFF COSTS FROM \$46.34 TO \$36.34.

SWORN TO BEFORE ME THIS

\_\_\_\_ DAY OF \_\_\_\_\_ 2007

---

So Answers,

  
by Marilyn Hamr

CHESTER A. HAWKINS  
SHERIFF

FILED

07/10/1064  
APR 27 2007

William A. Shaw  
Prothonotary/Clerk of Courts

SALE DATE: JUNE 1, 2007

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,

Plaintiff,

vs.

TIMOTHY M. NOVAK and VIRGINIA L.  
NOVAK,

Defendants.

) CIVIL DIVISION

)

)

) NO.: 06-1714-CD

)

)

) ISSUE NUMBER:

)

) TYPE OF PLEADING:

)

) Pa. R.C.P. RULE 3129.2(c)

) AFFIDAVIT OF SERVICE

) DEFENDANTS/OWNERS

)

)

) CODE -

)

) FILED ON BEHALF OF:

)

) S&T BANK, Plaintiff

)

)

) COUNSEL OF RECORD FOR THIS

) PARTY:

)

) John N. McElroy

) Pa. I.D. #87529

)

)

)

) GRENN & BIRSIC, P.C.

) One Gateway Center

) Ninth Floor

) Pittsburgh, PA 15222

)

) (412) 281-7650

)

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FILED *10 cc*  
MAY 11 2007  
William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,	)	
	)	
	)	NO.: 06-1714-CD
Plaintiff,	)	
vs.	)	
	)	
TIMOTHY M. NOVAK and VIRGINIA L.	)	
NOVAK,	)	
	)	
Defendants.	)	

Pa. R.C.P. RULE 3129.2(c) AFFIDAVIT OF SERVICE  
DEFENDANTS/OWNERS

John N. McElroy, Attorney for Plaintiff, S&T Bank, being duly sworn according to law deposes and makes the following Affidavit regarding service of Plaintiff's notice of the sale of real property in this matter on Timothy M. Novak and Virginia L. Novak as follows:

1. Timothy M. Novak and Virginia L. Novak are the owners of the real property and have not entered appearances of record.
2. Undersigned counsel mailed Defendant, Timothy M. Novak, a true and correct copy of Plaintiff's notice of the sale of real property by certified mail, restricted delivery, return receipt requested, addressed to Timothy M. Novak at 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851. A true and correct copy of said Notice is marked Exhibit "A", attached hereto and made a part hereof.
3. On or about April 24, 2007, the certified mail, addressed to Timothy M. Novak was returned unclaimed to Plaintiff. A true and correct copy of the returned certified mail, is marked Exhibit "B", attached hereto and made a part hereof.

4. Undersigned counsel mailed Defendant, Virginia L. Novak, a true and correct copy of Plaintiff's notice of the sale of real property by certified mail, restricted delivery, return receipt requested, addressed to Virginia L. Novak at 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851. A true and correct copy of said Notice is marked Exhibit "C", attached hereto and made a part hereof.

5. On or about April 24, 2007, the certified mail, addressed to Virginia L. Novak was returned unclaimed to Plaintiff. A true and correct copy of the returned certified mail, is marked Exhibit "D", attached hereto and made a part hereof.

6. Pursuant to the Order of Court dated December 8, 2006, service of the Complaint in Mortgage Foreclosure upon Defendant was deemed complete and valid upon mailing by the Plaintiff by certified mail, restricted delivery, return receipt requested, and by first class mail, postage prepaid, addressed to Timothy M. Novak and Virginia L. Novak at 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851 and by directing the Sheriff of Clearfield County to post the property at 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851. A true and correct copy of said Order of Court is marked Exhibit "E", attached hereto and made a part hereof.

7. Pursuant to Pa. R.C.P. 3129.2(c)(1)(i)(C) since original process was served on Defendants pursuant to Special Order of Court, the Notice of Sheriff's Sale may be served upon those Defendants in the same manner.

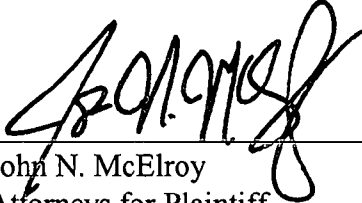
8. On or about April 6, 2007, Plaintiff mailed the Notice of Sheriff Sale to Defendants, Timothy M Novak and Virginia L. Novak at 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851, by first class mail, postage prepaid. A true and correct copy of the Certificates of Mailing, evidencing service by first class mail on the identified Defendants, are marked Exhibit "F", attached hereto and made a part hereof.

9. On or about April 5, 2007, the Sheriff of Clearfield County served Defendants with the Notice of Sheriff's Sale by posting the property at 2613 Behringer Highway, Reynoldsville, Pennsylvania 15851. A true and correct copy of the Affidavit of Service, evidencing service by posting, is marked Exhibit "G", attached hereto and made a part hereof.

I verify that the facts contained in this Affidavit are true and correct based upon my personal knowledge, information, and belief.

GRENN & BIRSIC, P.C.

BY:

  
\_\_\_\_\_  
John N. McElroy  
Attorneys for Plaintiff  
Ninth Floor, One Gateway Center  
Pittsburgh, PA 15222  
(412) 281-7650

SWORN TO AND SUBSCRIBED BEFORE ME

THIS 9<sup>th</sup> DAY OF May, 2007.

  
\_\_\_\_\_  
Notary Public

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Joanne M. Wehner, Notary Public  
City of Pittsburgh, Allegheny County  
My Commission Expires June 19, 2009  
Member, Pennsylvania Association of Notaries

Exhibit "A"



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

NOTICE OF SHERIFF'S SALE OF REAL ESTATE

TO: TIMOTHY M. NOVAK

TAKE NOTICE that by virtue of the above Writ of Execution issued out of the Court of Common Pleas of Clearfield County, Pennsylvania, and to the Sheriff of Clearfield County, directed, there will be exposed to Public Sale in the

CLEARFIELD COUNTY COURTHOUSE  
CLEARFIELD COUNTY COURTHOUSE  
CLEARFIELD, PENNSYLVANIA 16830

on June 1, 2007, at 10:00 A.M., the following described real estate, of which Timothy M. Novak and Virginia L. Novak are the owners or reputed owners:

ALL THAT CERTAIN REAL ESTATE SITUATED IN SANDY TOWNSHIP, CLEARFIELD COUNTY, PENNSYLVANIA, BEING KNOWN AS ROUTE 322 AND THUNDERBIRD ROAD, REYNOLDSVILLE, PENNSYLVANIA 15851. PARCEL I: TAX PARCEL NO. 128-A04-000-00011, CONTAINING 30.0 ACRES, INSTRUMENT NO. 200313088. PARCEL II: TAX PARCEL NO. 128-A04-000-00200, CONTAINING 14.4 ACRES, INSTRUMENT NO. 200313089.

The said Writ of Execution has been issued on a judgment in the mortgage foreclosure action of

S&T Bank,

Plaintiff,

vs.

Timothy M. Novak and  
Virginia L. Novak,

Defendants.

at Execution Number 06-1714-CD in the amount of \$75,205.61.

A Schedule of Distribution will be filed by the Office of the Sheriff no later than thirty (30) days from the sale date.

Distribution will be made in accordance with the Schedule of Distribution unless exceptions thereto are filed with the Office of the Sheriff within ten (10) days from the date when the Schedule of Distribution is filed by the Office of the Sheriff.

GRENNEN & BIRSIC, P.C.

By:

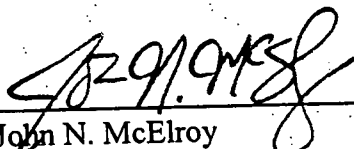
  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

Exhibit "B"

irsic, P.C.  
y Center, 9<sup>th</sup> Floor  
A 15222-1416

CERTIFIED MAIL™



7006 2760 0004 7013 1282



14 317  
UNITED STATES POSTAGE  
PITNEY BOWES  
02 1P \$08.34<sup>0</sup>  
0002421379 APR 06 2007  
MAILED FROM ZIP CODE 15222

UNC

Timothy M. Novak  
2613 Behringer Highway  
Reynoldsville, PA 15851

1st NOTICE 4-9  
4-19  
4-24

CER NIXIE 165 1 25 04/26/07

RETURN TO SENDER  
UNCLAIMED  
UNABLE TO FORWARD

BC: 15222145325 \*1143-07227-06-33

15222145325  
15222@1453



Exhibit "C"

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

NOTICE OF SHERIFF'S SALE OF REAL ESTATE

TO: VIRGINIA L. NOVAK

TAKE NOTICE that by virtue of the above Writ of Execution issued out of the Court of Common Pleas of Clearfield County, Pennsylvania, and to the Sheriff of Clearfield County, directed, there will be exposed to Public Sale in the

CLEARFIELD COUNTY COURTHOUSE  
CLEARFIELD COUNTY COURTHOUSE  
CLEARFIELD, PENNSYLVANIA 16830

on June 1, 2007, at 10:00 A.M., the following described real estate, of which Timothy M. Novak and Virginia L. Novak are the owners or reputed owners:

ALL THAT CERTAIN REAL ESTATE SITUATED IN SANDY TOWNSHIP, CLEARFIELD COUNTY, PENNSYLVANIA. BEING KNOWN AS ROUTE 322 AND THUNDERBIRD ROAD, REYNOLDSVILLE, PENNSYLVANIA 15851. PARCEL I: TAX PARCEL NO. 128-A04-000-00011, CONTAINING 30.0 ACRES, INSTRUMENT NO. 200313088. PARCEL II: TAX PARCEL NO. 128-A04-000-00200, CONTAINING 14.4 ACRES, INSTRUMENT NO. 200313089.

The said Writ of Execution has been issued on a judgment in the mortgage foreclosure action  
of

S&T Bank,

Plaintiff,

vs.

Timothy M. Novak and  
Virginia L. Novak,

Defendants.

at Execution Number 06-1714-CD in the amount of \$75,205.61.

A Schedule of Distribution will be filed by the Office of the Sheriff no later than thirty (30) days from the sale date.

Distribution will be made in accordance with the Schedule of Distribution unless exceptions thereto are filed with the Office of the Sheriff within ten (10) days from the date when the Schedule of Distribution is filed by the Office of the Sheriff.

GRENN & BIRSIC, P.C.

By:

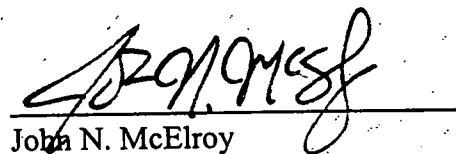
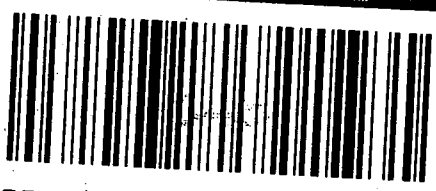
  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

Exhibit "D"



sic, P.C.  
Center, 9<sup>th</sup> Floor  
A 15222-1416

**CERTIFIED MAIL™**



7006 2760 0004 7013 1299

14 317

UNITED STATES POSTAGE  
PITNEY BOWES  
02 1P  
\$08.34<sup>0</sup>  
0002421379 APR 06 2007  
MAILED FROM ZIP CODE 15222

UNC

Virginia L. Novak  
2613 Behringer Highway  
Reynoldsville, PA 15851

4-9  
4-19  
4-24

CERTII

NIXIE 165 1 25 04/26/07

RETURN TO SENDER  
UNCLAIMED  
UNABLE TO FORWARD

15222143599-13 0004  
1522201435

BC: 15222143599 \*2096-05276-06-43



Exhibit "E"

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

No.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

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

DEC 08 2006

Attest.

*Wm. E. [Signature]*  
Prothonotary/  
Clerk of Courts

ORDER OF COURT

AND NOW, to wit, this 8 day of Dec., 2006, upon consideration of the within Motion for Service of the Complaint in Mortgage Foreclosure Property Pursuant to Special Order of Court, it is hereby ORDERED, ADJUDGED and DECREED that Plaintiff is permitted to serve Defendants, Timothy M. Novak and Virginia L. Novak, by mailing a true and correct copy of the Complaint in Mortgage Foreclosure by certified mail, return receipt requested, restricted delivery and by first class mail, postage pre-paid to Timothy M. Novak and Virginia L. Novak at 2613 Behringer Highway, Reynoldsville, PA 15851 and by directing the Sheriff of Clearfield County to post the property at 2613 Behringer Highway, Reynoldsville, PA 15851. Service of the Complaint shall be deemed complete and valid upon mailing by the Plaintiff and posting by the Sheriff.

BY THE COURT:

/s/ Fredric J. Ammerman

\_\_\_\_\_  
J.

Exhibit "F"

U.S. POSTAL SERVICE      **CERTIFICATE OF MAILING**

MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL. DOES NOT  
PROVIDE FOR INSURANCE-POSTMASTER

Received From: Green & D

02 1P

0002421379

MAILED FROM ZIP CODE 15222

UNITED STATES POSTAGE

PITNEY BOWES

**\$ 00.95<sup>0</sup>**

APR 06 2007

One piece of ordinary mail addressed to:

Anthony M. D.  
2613 Belmont Ave  
Reynoldsville Pa  
15851

PITTSBURGH PA GATEWAY STA  
APR 6 2007  
USPS

PS Form 3817, January 2001

After fee here in stamps  
or meter postage and  
post mark. Inquire of  
Postmaster for current  
fee.

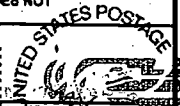
Scenic

U.S. POSTAL SERVICE CERTIFICATE OF MAILING

MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT  
PROVIDE FOR INSURANCE-POSTMASTER

Received From:

*Virginia L. Novak*  
*2013 Belmont Ave*  
*Pittsburgh, PA 15222*



PITNEY BOWES  
\$00.95<sup>00</sup>  
000242379 APR 06 2007  
MAILED FROM ZIP CODE 15222

One piece of ordinary mail addressed to:

*Virginia L. Novak*  
*2013 Belmont Ave*  
*Pittsburgh, PA 15222*  
*1585*



PS Form 3817, January 2001

*Scanned*

Attach fee here in stamps  
or meter postage and  
post mark. Inquire of  
Postmaster for current  
fee.

Exhibit "G"

REAL ESTATE SALE

REAL ESTATE SALE - LEVY AND POST

EXECUTION SERVICE SHEET

DKT: EX PAGE: 20559

DEPUTY RECEIVED: March 27, 2007

DEFENDANT(S):

TIMOTHY M. NOVAK AND VIRGINIA L. NOVAK

ADDRESS: 2613 BEHRINGER HIGHWAY  
REYNOLDSVILLE, PA 15851

LEVY & POST AT: SAME AS ABOVE

SERVE AND LEAVE WITH: DEFENDANT POST GARNISHEE

WRIT OF EXECUTION NOTICE OF SALE TO POST / SERVE WRIT LEVY *Order*

INTERROGATORIES TO GARNISHEE WRIT OF POSSESSION

MUST BE SERVED, POSTED OR LEVIED BY: APRIL 26, 2007

DATE SERVED, POSTED OR LEVIED: 4/5/07 TIME: 11:06 AM

NAME OF PERSON SERVED: \_\_\_\_\_

TITLE: POSTED BUILDINGS

WHERE SERVED /POSTED(ADDRESS): \_\_\_\_\_

DEFENDANT(S): RESIDENCE EMPLOYMENT

SIGNATURE OF PERSON SERVED: \_\_\_\_\_

DATE: \_\_\_\_\_

ATTEMPTS: \_\_\_\_\_

SPECIAL DIRECTIONS:

NO 08-1714-CD  
TIMOTHY M. NOVAK AND VIRGINIA L. NOVAK

SERVED POSTED OR LEVIED ON BY: Cordell / Newby

NOTES: \_\_\_\_\_



SALE DATE: JUNE 1, 2007

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

S&T BANK,

Plaintiff,

vs.

TIMOTHY M. NOVAK and VIRGINIA  
L. NOVAK,

Defendants.

) CIVIL DIVISION

)

)

) NO.: 06-1714-CD

)

) ISSUE NUMBER:

)

) TYPE OF PLEADING:

)

) Pa. R.C.P. RULE 3129.2(c)(2)

) LIENHOLDER AFFIDAVIT OF

) SERVICE

)

)

) CODE -

)

) FILED ON BEHALF OF:

)

) S&T BANK, Plaintiff

)

) COUNSEL OF RECORD FOR THIS

) PARTY:

)

) John N. McElroy

) Pa. I.D.87529

)

)

)

) GRENN & BIRSIC, P.C.

) One Gateway Center, Ninth Floor

) Pittsburgh, PA 15222

)

) (412) 281-7650

)

)

)

)

)

)

)

)

)

FILED *NO cc*  
*mlh/1064*  
MAY 11 2007  
*um*  
William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,	)	
	)	NO.: 06-1714-CD
	)	
	)	
Plaintiff,	)	
	)	
vs.	)	
	)	
TIMOTHY M. NOVAK and VIRGINIA	)	
L. NOVAK,	)	
	)	
	)	
Defendants.	)	

Pa. R.C.P. RULE 3129.2(c)(2)  
LIENHOLDER AFFIDAVIT OF SERVICE

I, John N. McElroy, Attorney for Plaintiff, S&T Bank, being duly sworn according to law, deposes and makes the following Affidavit regarding service of the notice of the sale of real property on all persons named in Paragraphs 3 through 7 of Plaintiff's Affidavit Pursuant to Rule 3129.1 as follows:

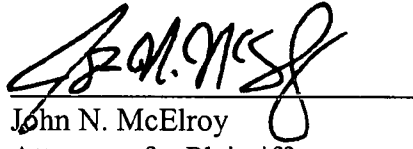
1. By letters dated April 6, 2007, undersigned counsel served all persons (other than the Plaintiff) named in Paragraphs 3 through 7 of Plaintiff's Affidavit Pursuant to Rule 3129.1 with a notice of the sale of real property by ordinary mail at the respective addresses set forth in the Affidavit Pursuant to Rule 3129.1. A true and correct copy of said Affidavit Pursuant to Rule 3129.1 is marked Exhibit "A", attached hereto, and made a part hereof.

2. Undersigned counsel obtained a U.S. Postal Service Form 3817 Certificate of Mailing for each letter. True and correct copies of the Certificates of Mailing and any letters, if returned as of this date, are marked collectively as Exhibit "B", attached hereto and made a part hereof.

I verify that the facts contained in this Affidavit are true and correct based upon my personal knowledge, information and belief.

GRENN & BIRSIC, P.C.

BY:

  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

Sworn to and subscribed before me

this 9th day of May, 2007.

  
Notary Public

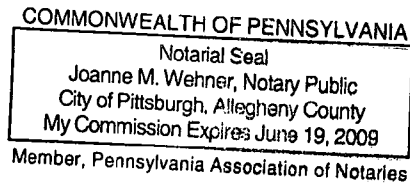


Exhibit "A"

## CIVIL DIVISION

**Defendants.**

)  
)  
)  
)  
) NO.: 06-1714-CD  
)  
)  
)  
)  
)  
)  
)  
)

COUNTY OF ALLEGHENY

)  
) SS:  
)

ALL THAT CERTAIN REAL ESTATE SITUATED IN SANDY TOWNSHIP,  
CLEARFIELD COUNTY, PENNSYLVANIA. BEING KNOWN AS ROUTE 322 AND  
THUNDERBIRD ROAD, REYNOLDSVILLE, PENNSYLVANIA 15851. PARCEL I: TAX  
PARCEL NO. 128-A04-000-00011, CONTAINING 30.0 ACRES, INSTRUMENT NO. 200313088.  
PARCEL II: TAX PARCEL NO. 128-A04-000-00200, CONTAINING 14.4 ACRES,

INSTRUMENT NO. 200313089.

1. The name and address of the owners or reputed owners:

Timothy M. Novak  
Virginia L. Novak

2613 Behringer Highway  
Reynoldsville, PA 15851

2. The name and address of the defendants in the judgment:

Timothy M. Novak  
Virginia L. Novak

2613 Behringer Highway  
Reynoldsville, PA 15851

Henry Daugherty t/d/b/a  
Henry Industries

161 Main Street  
Falls Creek, PA 15840

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

S&T Bank

(PLAINTIFF)

4. The name and address of the last record holder of every mortgage of record:

S&T Bank

(PLAINTIFF)

5. The name and address of every other person who has any record lien on the property:

None

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

Commonwealth of Pennsylvania

Department of Welfare  
P.O. Box 2675  
Harrisburg, PA 17105

Pa Department of Revenue

Bureau of Compliance  
P.O. Box 281230  
Harrisburg, PA 17128-1230

Domestic Relations Office

230 East Market Street, 3<sup>rd</sup> Floor  
Clearfield, PA 16830

7. The name and address of every other person whom the plaintiff has knowledge who has any interest in the property which may be affected by the sale:

Treasurer's Office

Clearfield County Courthouse  
Clearfield, PA 16830

I verify that the statements made in the Affidavit are true and correct to the best of my personal knowledge, information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa. C.S.A. §4904 relating to unsworn falsification to authorities.

3-2-07

John N. McElroy  
John N. McElroy  
Attorney for Plaintiff

SWORN to and subscribed before me

this ten day of March, 2007.

Joanne M. Wehner  
Notary Public

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Joanne M. Wehner, Notary Public  
City of Pittsburgh, Allegheny County  
My Commission Expires June 19, 2009  
Member, Pennsylvania Association of Notaries

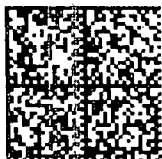
Exhibit "B"



Name and Address of Sender  
Grenen & Birsic, P.C.  
One Gateway Center, 9<sup>th</sup> Floor  
Pittsburgh, PA 15222

Check type of mail or service:  
☐ Certified  
☐ COD  
☐ Delivery Confirmation  
☐ Express Mail  
☐ Insured  
☐ Recorded Delivery (International)  
☐ Registered  
☐ Return Receipt for Merchandise  
☐ Signature Confirmation

Affix Stamp Here  
(If issued as a  
certificate of mailing,  
or for additional  
copies of this bill)  
Postmark and  
Date of Receipt



UNITED STATES POSTAGE  
02 1P  
0002421379 APR 06 2007  
MAILED FROM ZIP CODE 15222  
\$01.50  
MINNEY HOWES

Article Number	Addressee (Name, Street, City, State, & Zip Code)	Postage	Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	SH	RD	RR
1. Henry Daugherty w/d/b/a Henry Industries	161 Main Street Falls Creek, PA 15840	.39	.30							
2. Commonwealth of Pennsylvania	Department of Welfare P.O. Box 2675 Harrisburg, PA 17105	.39	.30							
3. Pa Department of Revenue	Bureau of Compliance P.O. Box 281230 Harrisburg, PA 17128-1230	.39	.30							
4. Domestic Relations Office	230 East Market Street, 3 <sup>rd</sup> Floor Clearfield, PA 16830	.39	.30							
5. Treasurer's Office	Clearfield County Courthouse Clearfield, PA 16830	.39	.30							
6.										
7.										
8.										
Total Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)	See Privacy Act Statement on Reverse							

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 20559  
NO: 06-1714-CD

PLAINTIFF: S & T BANK  
vs.  
DEFENDANT: TIMOTHY M. NOVAK AND VIRGINIA L. NOVAK  
  
Execution REAL ESTATE

SHERIFF RETURN

DATE RECEIVED WRIT: 03/22/2007

LEVY TAKEN 04/05/2007 @ 11:06 AM

POSTED 04/05/2007 @ 11:06 AM

SALE HELD

SOLD TO

WRIT RETURNED 11/16/2007

DATE DEED FILED **NOT SOLD**

**FILED**  
03/30/2007  
NOV 16 2007  
William A. Shaw  
Prothonotary/Clerk of Courts

**DETAILS**

04/10/2007 @ SERVED TIMOTHY M. NOVAK

SERVED TIMOTHY M. NOVAK, DEFENDANT, BY REG & CERT MAIL PER COURT ORDER TO 2613 BEHRINGER HWY, REYNOLDSVILLE, PENNSYLVANIA. CERT #70060810000145072674 RETURNED UNCLAIMED TO SHERIFF'S OFFICE MAY 3, 2007

A TRUE AND ATTESTED COPY OF THE ORIGINAL WRIT OF EXECUTION, NOTICE OF SALE AND COPY OF THE LEVY.

04/10/2007 @ SERVED VIRGINIA L. NOVAK

SERVED VIRGINIA L. NOVAK, DEFENDANT, BY REG & CERT MAIL PER COURT ORDER TO 2613 BEHRINGER HWY, REYNOLDSVILLE, PENNSYLVANIA. CERT #70060810000145072698 RETURNED UNCLAIMED TO SHERIFF'S OFFICE MAY 3, 2007

A TRUE AND ATTESTED COPY OF THE ORIGINAL WRIT OF EXECUTION, NOTICE OF SALE AND COPY OF THE LEVY.

@ SERVED

NOW, MAY 31, 2007 RECEIVED A FAX LETTER FROM THE PLAINTIFF'S ATTORNEY TO STAY THE SHERIFF SALE SCHEDULED FOR JUNE 1, 2007. \$13,458.33 WAS RECEIVED TO CURE THE DEFAULT.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 20559  
NO: 06-1714-CD

PLAINTIFF: S & T BANK

VS.

DEFENDANT: TIMOTHY M. NOVAK AND VIRGINIA L. NOVAK

Execution REAL ESTATE

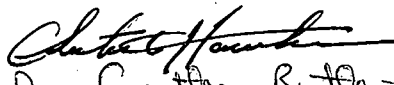
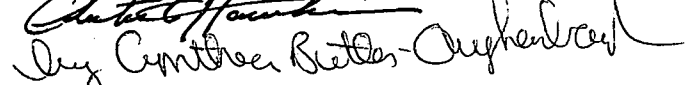
SHERIFF RETURN

---

SHERIFF HAWKINS \$493.03

SURCHARGE \$40.00 PAID BY ATTORNEY

So Answers,

  
  
Chester A. Hawkins  
Sheriff

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

S & T Bank

Vs.

NO.: 2006-01714-CD

Timothy M. Novak and Virginia L. Novak

**TO THE SHERIFF OF CLEARFIELD COUNTY:**

To satisfy the debt, interest and costs due S & T BANK, Plaintiff(s) from TIMOTHY M. NOVAK and VIRGINIA L. NOVAK, Defendant(s):

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

(2) You are also directed to attach the property of the defendant(s) not levied upon in the possession of:

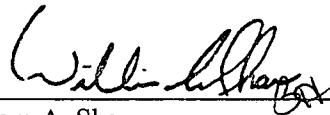
Garnishee(s) as follows:

and to notify the garnishee(s) that: (a) an attachment has been issued; (b) the garnishee(s) is/are enjoined from paying any debt to or for the account of the defendant(s) and from delivering any property of the defendant(s) or otherwise disposing thereof;

(3) If property of the defendant(s) not levied upon and subject to attachment is found in the possession of anyone other than a named garnishee, you are directed to notify him/her that he/she has been added as a garnishee and is enjoined as above stated.

AMOUNT DUE/PRINCIPAL:.....\$67,189.23  
INTEREST to 5/1/07:.....\$3,732.22  
ATTY'S COMM: \$  
TITLE SEARCH, FORECLOSURE  
and EXECUTION COSTS:.....\$2,750.00  
DATE: 03/22/2007

PROTHONOTARY'S COSTS PAID:.....\$132.00  
SHERIFF: \$  
OTHER COSTS: \$  
LATE CHARGES to 5/1/07:.....\$534.16  
MORTGAGE FORECLOSURE and  
ATTORNEY'S FEES:.....\$1,000.00



William A. Shaw  
Prothonotary/Clerk Civil Division

Received this writ this 22nd day  
of March A.D. 2007  
At 2:00 A.M./P.M.

Charles A. Hawkins  
Sheriff by Cynthia Butler-Clapham

Requesting Party: John N. McElroy  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

S&T BANK,

Plaintiff,

NO.: 06-1714-CD

vs.

TIMOTHY M. NOVAK and  
VIRGINIA L. NOVAK,

Defendants.

LONG FORM DESCRIPTION

PARCEL I - NUMBER 128-A04-000-00011:

ALL that certain piece or parcel of land situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at a stone marker being the southwest corner of herein described parcel and along the Jefferson and Clearfield County line, thence along said county line North 5 degrees 15 minutes 15 minutes 30 seconds East 1348.07 feet to an iron pin; thence along lands of which this was a part South 44 degrees 9 minutes 10 seconds East 610.0 feet to an iron pin; thence North 42 degrees 22 minutes 50 seconds East 170.0 feet to an iron pin; thence North 13 degrees 45 minutes 50 seconds East 975.10 feet to a point in State Highway route 322; thence by said highway South 81 degrees 40 minutes East 223.34 feet to a point; thence along lands of A. Johnston South 5 degrees 15 minutes 30 seconds West 2014.2 feet to a concrete marker; thence along lands of G. Walls North 86 degrees 16 minutes West 933.38 feet to the point of beginning.

CONTAINING 30.0 Acres

EXCEPTING AND RESERVING whatever reservations and exceptions that were contained in prior deeds.

FURTHER EXCEPTING AND RESERVING unto William I. Johnston et al, their heirs and assigns, the right and liberty at all times hereafter of using water from the well on the granted premises; with liberty from time to time with workmen to enter upon the land and to repair, cleanse, and maintain the well and the pipes leading therefrom to premises in Winslow Township, Jefferson County, Pennsylvania, described in deed from Iren I. Johnston to William Ivan Johnston et al., dated March 27, 1979, and recorded in Jefferson County Deed Book 455 at page 930.

BEING the same property which Timothy M. Novak and Virginia L. Novak, husband and wife, granted and conveyed to Timothy M. Novak and Virginia L. Novak, husband and wife, by Deed dated July 21, 2003 and recorded July 23, 2003, in the Recorder of Deeds Office, Clearfield County, Pennsylvania, in Instrument No. 200313088.

PARCEL II - NUMBER 128-A04-000-00200:

ALL that certain piece or parcel of land situate in Sandy Township, Clearfield County, Pennsylvania, bounded and described as follows, to wit:

BEGINNING at an iron pin being the southwest corner of herein described parcel and along the Jefferson and Clearfield County line; thence along said county line North 5 degrees 15 minutes 30 seconds East 799.63 feet to a point in State Highway Route 322; thence by said highway South 76 degrees 43 minutes 40 seconds East 676.76 feet to a point; thence continuing along said highway

South 81 degrees 32 minutes East 39.96 feet to a point; thence through the larger tract of which this was a part South 13 degrees 45 minutes 50 seconds West 975. 10 feet to an iron pin; thence South 42 degrees 22 minutes 50 seconds West 170.0 to an iron pin; thence North 44 degrees 9 minutes 10 seconds West 610.0 feet to point of beginning.

CONTAINING 14.4 Acres.

WATER RIGHTS: The parties of the first part grant unto the parties of the second part, heirs and assigns, the right to use the waters from a certain spring situated on the larger parcel of which this was a part of.

EXCEPTING AND RESERVING whatever reservations and exceptions that were contained in prior deeds.

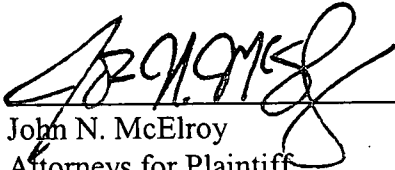
FURTHER EXCEPTING AND RESERVING unto William I. Johnston et al, their heirs and assigns, the right and liberty at all times hereafter of using water from the well on the granted premises; with liberty from time to time with workmen to enter upon the land and to repair, cleanse, and maintain the well and the pipes leading therefrom to premises in Winslow Township, Jefferson County, Pennsylvania, described in deed from Iren I. Johnston to William Ivan Johnston et al., dated March 27, 1979, and recorded in Jefferson County Deed Book 455 at page 930.

BEING the same property which Timothy M. Novak and Virginia L. Novak, husband and wife, granted and conveyed to Timothy M. Novak and Virginia L. Novak, husband and wife, by Deed dated July 21, 2003 and recorded July 23, 2003, in the Recorder of Deeds Office, Clearfield County, Pennsylvania, in Instrument No. 200313089.

The Real Property or its address is commonly known as Route 322 and Thunderbird Road,  
Reynoldsville, Pennsylvania 15851. The Real Property parcel identification number is 128-A04-  
000-00011 and 128-A04-000-00200.

GRENN & BIRSIC, P.C.

By:

  
John N. McElroy  
Attorneys for Plaintiff  
One Gateway Center, Ninth Floor  
Pittsburgh, PA 15222  
(412) 281-7650

PARCEL I:

Instrument No. 200313088

Parcel No. 128-A04-000-00011

PARCEL II:

Instrument No. 200313089

Parcel No. 128-A04-000-00200



**REAL ESTATE SALE  
SCHEDULE OF DISTRIBUTION**

NAME TIMOTHY M. NOVAK

NO. 06-1714-CD

NOW, November 16, 2007, 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 , I exposed the within described real estate of Timothy M. Novak And Virginia L. Novak to public venue or outcry at which time and place I sold the same to he/she being the highest bidder, for the sum of \$13,458.33 and made the following appropriations, viz:

**SHERIFF COSTS:**

RDR	15.00
SERVICE	15.00
MILEAGE	21.34
LEVY	15.00
MILEAGE	21.34
POSTING	15.00
CSDS	10.00
COMMISSION	269.17
POSTAGE	16.18
HANDBILLS	15.00
DISTRIBUTION	25.00
ADVERTISING	15.00
ADD'L SERVICE	15.00
DEED	
ADD'L POSTING	
ADD'L MILEAGE	
ADD'L LEVY	
BID/SETTLEMENT AMOUNT	13,458.33
RETURNS/DEPUTIZE	
COPIES	15.00
	5.00
BILLING/PHONE/FAX	5.00
CONTINUED SALES	
MISCELLANEOUS	
<b>TOTAL SHERIFF COSTS</b>	<b>\$493.03</b>

**DEED COSTS:**

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

**PLAINTIFF COSTS, DEBT AND INTEREST:**

DEBT-AMOUNT DUE	67,189.23
INTEREST @	0.00
FROM TO	
ATTORNEY FEES	1,000.00
PROTH SATISFACTION	
LATE CHARGES AND FEES	534.16
COST OF SUIT-TO BE ADDED	2,750.00
FORECLOSURE FEES	
ATTORNEY COMMISSION	
REFUND OF ADVANCE	
REFUND OF SURCHARGE	40.00
SATISFACTION FEE	
ESCROW DEFICIENCY	
PROPERTY INSPECTIONS	
INTEREST	3,732.22
MISCELLANEOUS	
<b>TOTAL DEBT AND INTEREST</b>	<b>\$75,245.61</b>

**COSTS:**

ADVERTISING	1,084.80
TAXES - COLLECTOR	
TAXES - TAX CLAIM	
DUE	
LIEN SEARCH	100.00
ACKNOWLEDGEMENT	
DEED COSTS	0.00
SHERIFF COSTS	493.03
LEGAL JOURNAL COSTS	144.00
PROTHONOTARY	132.00
MORTGAGE SEARCH	40.00
MUNICIPAL LIEN	
<b>TOTAL COSTS</b>	<b>\$1,993.83</b>

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

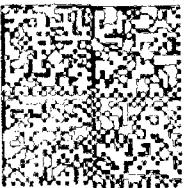
CHESTER A. HAWKINS, Sheriff



CHESTER A. HAWKINS  
SHERIFF  
COURTHOUSE  
1 NORTH SECOND STREET - SUITE 116  
CLEARFIELD, PENNSYLVANIA 16830



7006 0810 0001 4507 2674



Hasler

006-16505-007  
\$05.120  
04-10-2007  
Issued From: 155-120  
US POSTAGE

**RETURNED TO SENDER**  
**UNCLAIMED**

unc

TIMOTHY M. NOVAK  
2613 BEHRINGER HIGHWAY  
REYNOLDSVILLE, PA 15851

**RETURNED TO SENDER**  
**UNCLAIMED**

Reference 4-11-07  
2nd mailing 4-16-07  
4-26

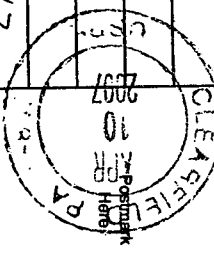
7006 0810 0001 4507 2674

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

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

**OFFICIAL USE**

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 5.12



Sent To

Street, Apt. No.,  
or PO Box No. TIMOTHY M. NOVAK

City, State, ZIP+4 2613 BEHRINGER HIGHWAY  
REYNOLDSVILLE PA 15851

PS Form 3800, June 2002 See Reverse for Instructions

# **CERTIFIED MAIL™**

## **SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

TIMOTHY M. NOVAK  
2613 BEHRINGER HIGHWAY  
REYNOLDSVILLE, PA 15851

## **COMPLETE THIS SECTION ON DELIVERY**

A. Signature

**X**

☐ Agent  
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

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

3. Service Type

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

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number  
(Transfer from service label)

7006 0810 0001 4507 2674

PS Form 3811, February 2004

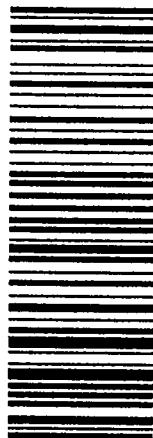
Domestic Return Receipt

102595-02-M-1540

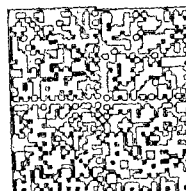




**CHESTER A. HAWKINS**  
**SHERIFF**  
 COURTHOUSE  
 1 NORTH SECOND STREET - SUITE 116  
 CLEARFIELD, PENNSYLVANIA 16830



7006 0810 0001 4507 2698



Master

0164165305405  
**\$05.120**  
 04/10/2007  
 Mailed From 16830  
**US POSTAGE**

**RETURNED TO SENDER**  
**UNCLAIMED**

**RETURNED TO SENDER**  
**UNCLAIMED**

VIRGINIA L. NOVAK  
 2613 BEHRINGER HIGHWAY  
 REYNOLDSVILLE, PA 15851

4-11-07  
 4-16-07  
 4-26-07

7006 0810 0001 4507 2698

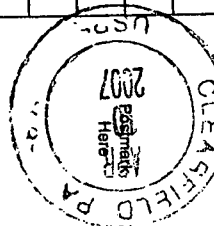
**U.S. Postal Service™**  
**CERTIFIED MAIL™ RECEIPT**  
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For delivery information visit our website at [www.usps.com](http://www.usps.com)

**OFFICIAL USE**

Postage \$  
 Certified Fee  
 Return Receipt Fee  
 (Endorsement Required)  
 Restricted Delivery Fee  
 (Endorsement Required)

Total Postage & Fees \$ 5.12



Sent To

Street, Apt. No.,  
 or PO Box No. VIRGINIA L. NOVAK  
 City, State, ZIP+4 2613 BEHRINGER HIGHWAY  
 REYNOLDSVILLE PA 15851

PS Form 3800, June 2002

See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

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

1. Article Addressed to:

VIRGINIA L. NOVAK  
2613 BEHRINGER HIGHWAY  
REYNOLDSVILLE, PA 15851

2. Article Number  
(Transfer from service label)

7006 0810 0001 4507 2698

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X

☐ Agent  
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

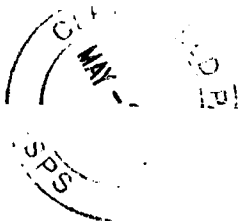
D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

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

4. Restricted Delivery? (Extra Fee)

☐ Yes



**GRENEN & BIRSIC, P.C.**

ATTORNEYS AT LAW

ONE GATEWAY CENTER, NINTH FLOOR  
PITTSBURGH, PENNSYLVANIA 15222

TEL (412) 281-7650 FAX (412) 281-7657

May 31, 2007

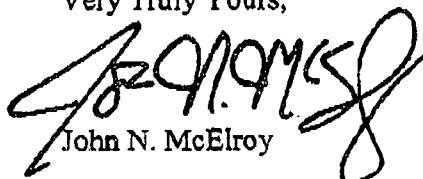
John N. McElroy  
[jmcclroy@grenenbirsic.com](mailto:jmcclroy@grenenbirsic.com)VIA FAX (814) 765-5915Clearfield County Sheriff's Office  
Clearfield County Courthouse  
230 East Market Street  
Clearfield, PA 16830RE: S&T Bank v. Timothy M. Novak and Virginia L. Novak; Case No.06-1714-  
CD; June 1, 2007 Sheriff's Sale

Dear Sir/Madam:

Please be advised that this firm represents S&T Bank with regard to the above-referenced matter. This letter shall serve as authorization for the Sheriff of Clearfield County to STAY the Sheriff's sale originally scheduled for June 1, 2007. The Plaintiff has realized \$13,458.33 on this Writ. Please forward your invoice for the amount of Sheriff's poundage owed and we will forward a check to you under separate cover. Please make the appropriate announcement at the June 1, 2007 Sheriff's Sale.

Thank you for your assistance in this matter. If you have any questions or need anything further, please do not hesitate to contact me.

Very Truly Yours,

  
John N. McElroy

JNM/jw