

07-264-CD

First Comm Bank vs Steven M. Scaife al

First Comm Bank vs Steven M Scaife al  
2007-264-CD

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,

CIVIL DIVISION

Plaintiff,

Case No. 07-264-CD

vs.

STEVEN M. SCAIFE and  
BRENDA L. SCAIFE,

COMPLAINT IN  
MORTGAGE FORECLOSURE

Defendants.

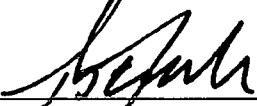
Filed on behalf of FIRST  
COMMONWEALTH BANK Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Angela S. Abreu, Esquire  
Pa. I.D. No. 90855  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

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

RR 1, Box 536, Route 53S  
Philipsburg, Pennsylvania 16866  
Tax Parcel I.D. No. 112-P12-692-56

  
\_\_\_\_\_  
Thomas E. Reiber, Esquire  
Angela S. Abreu, Esquire  
Attorneys for First Commonwealth Bank,  
Plaintiff

**FILED**  
M 10:33 AM 85.00  
FEB 21 2007  
WM 2cc Sheriff  
William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
Plaintiff, ) No. \_\_\_\_\_  
vs. )  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
Defendants. )

**IMPORTANT NOTICE**

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

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER. IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

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P. O. Box 186  
Harrisburg, Pennsylvania 17108  
(800) 692-7375

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
Plaintiff, ) No. \_\_\_\_\_  
vs. )  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
Defendants. )

**COMPLAINT IN MORTGAGE FORECLOSURE**

AND NOW COMES the Plaintiff, First Commonwealth Bank, by and through its counsel, Tucker Arensberg, P.C., and files the within Complaint in Mortgage Foreclosure, in support of which it avers the following:

1. Plaintiff, First Commonwealth Bank (the "Bank"), is a banking association with business offices at 654 Philadelphia Street, P.O. Box 400, Indiana, Pennsylvania 15701-0400.
2. Defendants, Steven M. Scaife and Brenda L. Scaife ("Borrowers"), are adult individuals whose last known address is RR1, Box 391D, Philipsburg, Pennsylvania 16866.
3. On or about April 30, 2004, Borrowers, and Scaife Automotive Company, Incorporated ("Scaife Auto") executed and delivered a Promissory Note ("Note-1") to the Bank whereby Borrowers and Scaife Auto agreed to pay the Bank the principal amount of \$225,000.00, together with interest thereon in the manner provided therein. A true and correct copy of Note-1 is attached hereto as Exhibit "A" and incorporated herein.

4. The obligations evidenced by Note-1 are secured by a Mortgage dated April 30, 2004 ("Mortgage-1") given by Borrowers to the Bank, granting the Bank a security interest in certain real property located in the Township of Decatur, County of Clearfield, Pennsylvania (the "Premises"). Mortgage-1 was recorded in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania, ("Recorder's Office") on April 30, 2004 at Instrument No. 200406698. A true and correct copy of Mortgage-1, containing the legal description of the Premises, is attached hereto as Exhibit "B" and incorporated herein.

5. On or about April 30, 2004, Borrowers, and Scaife Auto executed and delivered a Promissory Note ("Note-2") to the Bank whereby Borrowers and Scaife Auto agreed to pay the Bank the principal amount of \$100,000.00, together with interest thereon in the manner provided therein. A true and correct copy of Note-2 is attached hereto as Exhibit "C" and incorporated herein.

6. The obligations evidenced by Note-2 are secured by a Mortgage dated April 30, 2004 ("Mortgage-2") given by Borrowers to the Bank, granting the Bank a security interest in certain real property located in the Township of Decatur, County of Clearfield, Pennsylvania (the "Premises"). Mortgage-2 was recorded in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania, ("Recorder's Office") on April 30, 2004 at Instrument No. 200406699. A true and correct copy of Mortgage-2, containing the legal description of the Premises, is attached hereto as Exhibit "D" and incorporated herein.

7. Note-1 and Note-2 are hereinafter jointly referred to as the "Notes". Mortgage-1 and Mortgage-2 are hereinafter jointly referred to as the "Mortgages".

8. The Borrowers are in default of the provisions of the Notes and Mortgages for failure to make payments when due. The last payment made to the Bank by Borrowers on the Notes and Mortgages was on July 26, 2006, resulting in Borrower remaining

due and owing on the Notes and Mortgages for October 15, 2006, and all subsequent payments to date.

9. The Defendants are the real and record owners of the Premises.

10. There has been no assignment, release or transfer of the Notes or Mortgages.

11. No written notice pursuant to 35 P.S. §1680.403C (Homeowner's Emergency Mortgage Assistance Act of 1983 - Act 91 of 1983) and 41 P.S. §403 (Act 6 of 1974) is required as the Premises are of a commercial nature and therefore exempt.

12. The amount due Bank under the Notes and Mortgages as of January 4, 2007 is as follows:

**Note-1**

Principal.....	\$ 211,642.11
Interest through January 4, 2007 .....	3,718.43
(per diem \$33.803943)	
Late Fees .....	477.12
Costs .....	to be added
Attorney's Fees.....	<u>to be added</u>
NOTE-1 TOTAL.....	\$ 215,837.66

**Note-2**

Principal.....	\$73,350.80
Interest through January 4, 2007 .....	1,288.74
(per diem \$11.715751)	
Late Fees .....	435.84
Costs .....	to be added
Attorney's Fees.....	<u>to be added</u>
NOTE-2 TOTAL.....	\$ 75,075.38

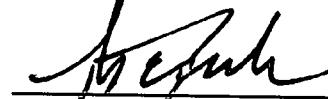
TOTAL NOTE-1 and NOTE-1 ..... \$ 290,913.04

13. The total amount now due to the Bank under the Notes and Mortgages as of January 4, 2007 was Two Hundred Ninety Thousand Nine Hundred Thirteen and 04/100

Dollars (\$290,913.04), plus interest accruing from January 4, 2007 at the contract rate, late charges, costs and reasonable attorneys' fees.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of Two Hundred Ninety Thousand Nine Hundred Thirteen and 04/100 Dollars (\$290,913.04), plus interest accruing from January 4, 2007 at the contract rate, late charges, reasonable attorneys' fees as authorized by the Note, and costs of foreclosure and sale of the Premises.

TUCKER ARENSBERG, P.C.



Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Angela S. Abreu, Esquire  
Pa. I.D. No. 98055  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212  
Attorneys for First Commonwealth Bank,  
Plaintiff

293095.1:BF  
11555-131169

# PROMISSORY NOTE

Principal \$225,000.00	Loan Date 04-30-2004	Maturity 04-30-2024	Loan No. 89001	Call / Coll.	Account 9251781526	Officer ...	Initials <i>[Signature]</i>
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:** Scaife Automotive Company, Incorporated (TIN: 25-1781526); Steven M Scaife (SSN: 174-54-3064); and Brenda L Scaife (SSN: 159-54-7138) RR 1, Box 536 Route 53S Philipsburg, PA 16866

**Lender:** FIRST COMMONWEALTH BANK Clearfield Mall Office 1800 Daisy Street Ext Suite 360 Clearfield, PA 16830 (800) 711-2265

**Principal Amount:** \$225,000.00

**Initial Rate:** 5.750%

**Date of Note:** April 30, 2004

**PROMISE TO PAY.** Scaife Automotive Company, Incorporated; Steven M Scaife; and Brenda L Scaife ("Borrower") jointly and severally promise to pay to FIRST COMMONWEALTH BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Two Hundred Twenty-five Thousand & 00/100 Dollars (\$225,000.00), together with interest on the unpaid principal balance from April 30, 2004, until paid in full.

**PAYMENT.** Subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in 240 payments of \$1,590.44 each payment. Borrower's first payment is due May 30, 2004, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on April 30, 2024, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; and then to any unpaid collection costs. 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.

**VARIABLE INTEREST RATE.** The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the 3 Year FHLB rate as quoted by the Pittsburgh Federal Home Loan Bank on the last business day of the week preceding the "rate change event" week (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notice to Borrower. Lender will tell Borrower the current index rate upon Borrower's request. The interest rate change will not occur more often than each 3 years (the "rate change event"). Borrower understands that Lender may make loans based on other rates as well. The initial rate is based on the Index as of April 30, 2004 which was 2.820% per annum. Initially, the interest rate to be applied to the unpaid principal balance of the Note is 5.750%. After the first rate change event, the interest rate to be applied to the unpaid principal balance of this Note will be at a rate of 2.900 percentage points over the Index. Notwithstanding the foregoing, the variable interest rate or rates provided for in this Note will be subject to the following minimum and maximum rates. NOTICE: Under no circumstances will the interest rate on this Note be less than 5.750% per annum or more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) increase Borrower's payments to cover accruing interest, (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

**PREPAYMENT PENALTY.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Upon prepayment of this Note, Lender is entitled to the following prepayment penalty: In the event of the payment in full of this Promissory Note prior to twelve (12) months to the Maturity Date with funds obtained from another financial institution, the Borrower promises to pay a penalty equal to one percent (1%) of the principal amount outstanding at the time of Prepayment. Except for the foregoing, Borrower may pay 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 lower 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: FIRST COMMONWEALTH BANK, Clearfield Mall Office, 1800 Daisy Street Ext Suite 360, Clearfield, PA 16830.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, Lender, at its option, may, if permitted under applicable law, increase the variable interest rate on this Note to 7.900 percentage points over the Index. 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 interest rate applicable to this Note at the time judgment is entered.

**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.

**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. 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, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, Lender, at its option, may, but shall not be required to, permit the guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

**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.

**Cure Provisions.** If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured (and no event of default will have occurred) if Borrower, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**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.

**EXPENSES.** If Lender institutes any suit or action to enforce any of the terms of this Note, Lender shall be entitled to recover such sum as the court may adjudge reasonable. 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 loan 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 expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals, to the extent permitted 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.

**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, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**COLLATERAL.** Borrower acknowledges this Note is secured by Security Interest in All Inventory and Equipment; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and accounts proceeds) AND Mortgage of even date herewith on real estate located in the Township of Decatur, County of Clearfield, Commonwealth of Pennsylvania, to be conveyed to Steven M. Scaife and Brenda L. Scaife by deed of Mark Scaife and Mary Scaife; said deed to be recorded immediately prior to the recording of the mortgage AND Assignment of Rents on the premises known as RR 1, Box 536 Route 53S, Philipsburg PA.

**LIMITATION OF ACTION.** If the Borrower has any cause of action against the Lender, now or in the future, arising out of the Related Documents and the transactions contemplated by the Related Documents, whether in contract or tort or otherwise, the Borrower must assert the claim within one year of the occurrence of the event which gives rise to a cause of action. If the Borrower does not assert the claim within one year of the occurrence of a cause of action, the Borrower will be barred from asserting the claim. Borrower and Lender agree that the one year time period is reasonable and sufficient for the Borrower to investigate and act upon the claim and that the provision shall survive any termination of the Agreement.

**LATE CHARGE.** A late charge will be assessed in the amount of 5% of the regular payment or portion thereof that remains unpaid for more than ten (10) days beyond the due date. The minimum late charge amount is \$25.00. This charge will be immediately due and payable.

**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. Each Borrower understands and agrees that, with or without notice to Borrower, Lender may with respect to any other Borrower (a) make one or more additional times the time for payment or other terms of any indebtedness, including increases and decreases of the rate of interest on the indebtedness; (b) exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any security, with or without the substitution of new collateral; (c) apply such security and direct the order or manner of sale thereof, including without limitation, any non-judicial sale permitted by the terms of the Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; and (f) determine how, when and what signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any 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; this loan without the consent of or notice to anyone other than the party with whom the modification is made. All such parties also agree that Lender may modify and sever. 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 and, with or without complaint filed, as of any term, confess or enter judgment against Borrower for the entire principal balance of this Note and all accrued interest, together with costs of suit, and an attorney's (\$500); 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 full of all amounts due under this Note.

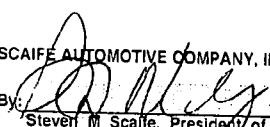
**PRIOR TO SIGNING THIS NOTE, EACH BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. EACH BORROWER AGREES TO THE TERMS OF THE NOTE.**

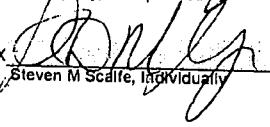
**BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.**

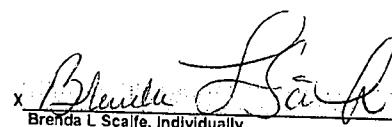
**THIS NOTE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS NOTE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.**

**BORROWER:**

SCAIFE AUTOMOTIVE COMPANY, INCORPORATED

By:  (Seal)  
Steven M Scaife, President of Scaife Automotive  
Company, Incorporated

X  (Seal)  
Steven M Scaife, Individually

 (Seal)  
Brenda L Scaife, Individually

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,

Plaintiff,  
vs.

STEVEN M. SCAIFE and  
BRENDA L. SCAIFE,

Defendants.

CIVIL DIVISION

No. 07-264-CD

PRAECIPE FOR DEFAULT JUDGMENT  
IN MORTGAGE FORECLOSURE

Filed on behalf of FIRST  
COMMONWEALTH BANK, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Michael J. Stauber, Esquire  
Pa. I.D. No. 201022  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
Telephone: (412) 566-1212

FILED *Att'y pd.* *MAY 11 2007* *2000*  
*MAY 25 2007* *Notice to Def.*  
William A. Shaw *Statement*  
Prothonotary/Clerk of Courts *to Att'y*  
*(6K)*

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
vs. )  
Plaintiff, )  
STEVEN M. SCAIFE and ) No. 07-264-CD  
BRENDA L. SCAIFE, )  
Defendants. )

**PRAECIPE FOR DEFAULT JUDGMENT IN MORTGAGE FORECLOSURE**

TO: Prothonotary

Kindly enter Judgment against the Defendants above named in default of an Answer, in the amount of \$298,206.89, plus continuing interest at the contract rate together with late charges, costs of suit and attorney fees on the declining balance computed as follows:

Amount claimed in Complaint .....	\$ 290,913.04
Interest from 01/05/07 through 05/07/07 (per diem \$33.803943) (Note-1).....	4,124.08
Interest from 01/05/07 through 0/07/07 (per diem \$11.715751) (Note-2).....	1,429.23
Late Fees (5% of \$1,590.44/mo. pmt. or \$79.52/mo. for months of January through April, 2007) (Note-1).....	318.08
Late Fees (5% of \$1,452.88/mo. pmt. or \$72.64/mo. for months of January through April, 2007) (Note-2).....	290.56
Legal Fees and Costs through May 2, 2007.....	<u>1,131.99</u>
<b>TOTAL.....</b>	<b>\$ 298,206.98</b>

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

TUCKER ARENSBERG, P.C.

  
\_\_\_\_\_  
Thomas E. Reiber, Esquire  
Michael J. Stauber, Esquire  
Attorneys for First Commonwealth Bank, Plaintiff

Plaintiff : First Commonwealth Bank  
c/o TUCKER ARENSBERG, P.C., 1500 One PPG Place, Pittsburgh, PA 15222  
Defendants: Steven M. Scaife, 134 Wood Street, Philipsburg, PA 16866  
Brenda L. Scaife, 134 Wood Street, Philipsburg, PA 16866

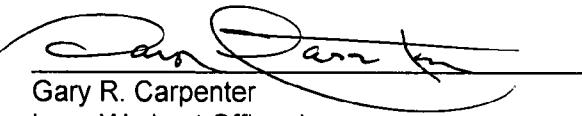
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FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
Plaintiff, ) No. 07-264-CD  
vs. )  
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SCAIFE, )  
Defendants. )

AFFIDAVIT OF NON-MILITARY SERVICE

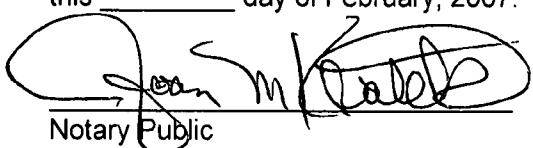
COMMONWEALTH OF PENNSYLVANIA )  
COUNTY OF INDIANA ) SS:

I, Gary R. Carpenter, Loan Workout Officer I, First Commonwealth Bank, being duly sworn according to law, hereby depose and say that the Defendants, Steven M. Scaife and Brenda L. Scaife, are not members of the military service of the United States of America to the best of my knowledge, information, and belief.

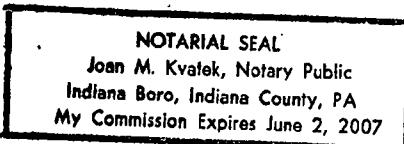
  
Gary R. Carpenter  
Loan Workout Officer I  
First Commonwealth Bank

Sworn to and subscribed before me

this 5th day of February, 2007.

  
Notary Public

My Commission Expires:



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
Plaintiff, ) No. 07-264-CD  
vs. )  
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BRENDA L. SCAIFE, )  
Defendants. )

TO: Steven M. Scaife  
134 Wood Street  
Philipsburg, PA 16866

DATE OF NOTICE: April 24, 2007

**IMPORTANT NOTICE**

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO TAKE ACTION REQUIRED OF YOU IN THIS CASE. UNLESS YOU ACT WITHIN TEN (10) 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 FOLLOWING OFFICE. 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.

Pennsylvania Lawyer Referral Service  
Pennsylvania Bar Association  
100 South Street  
P. O. Box 186  
Harrisburg, Pennsylvania 17108  
Telephone: (800) 692-7375

TUCKER ARENSBERG, P.C.

By:

  
\_\_\_\_\_  
Thomas E. Reiber, Esquire  
Angels A. Abreu, Esquire  
Attorneys for First Commonwealth Bank, Plaintiff

**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing Notice was served upon Defendant, Steven M. Scaife, by depositing same in the United States Mail, first class postage prepaid, on the 24th day of April, 2007 at the following address:

Steven M. Scaife  
134 Wood Street  
Philipsburg, PA 16866

TUCKER ARENSBERG, P.C.

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

298436.1:BF  
11555-131169

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,	)	CIVIL DIVISION
	)	
Plaintiff,	)	No. 07-264-CD
	)	
vs.	)	
	)	
STEVEN M. SCAIFE and	)	
BRENDA L. SCAIFE,	)	
	)	
Defendants.	)	

TO: Brenda L. Scaife  
134 Wood Street  
Philipsburg, PA 16866

DATE OF NOTICE: April 24, 2007

**IMPORTANT NOTICE**

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO TAKE ACTION REQUIRED OF YOU IN THIS CASE. UNLESS YOU ACT WITHIN TEN (10) 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 FOLLOWING OFFICE. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER. IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

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TUCKER ARENSBERG, P.C.

By:

  
\_\_\_\_\_  
Thomas E. Reiber, Esquire  
Angels A. Abreu, Esquire  
Attorneys for First Commonwealth Bank, Plaintiff

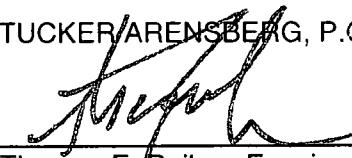
**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing Notice was served upon Defendant, Brenda L. Scaife, by depositing same in the United States Mail, first class postage prepaid, on the 24th day of April, 2007 at the following address:

Brenda L. Scaife  
134 Wood Street  
Philipsburg, PA 16866

TUCKER ARENSBERG, P.C.

By:

  
Thomas E. Reiber, Esquire

298436.1:BF  
11555-131169

# 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:

Instrument Number - 200406698  
Recorded On 4/30/2004 At 3:30:56 PM  
\* Instrument Type - MORTGAGE  
\* Total Pages - 9  
Invoice Number - 109861  
\* Mortgagor - SCAIFE, STEVEN M  
\* Mortgagee - FIRST COMMONWEALTH BANK  
\* Customer - NADDEO & ASSOCIATES  
  
\* FEES  
STATE WRIT TAX \$0.50  
JCS/ACCESS TO JUSTICE \$10.00  
RECORDING FEES - \$21.00  
RECORDER  
RECORDER IMPROVEMENT \$3.00  
FUND  
COUNTY IMPROVEMENT FUND \$2.00  
TOTAL \$36.50

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.

EXHIBIT

*B*

tabbles

**RECORDATION REQUESTED BY:**

FIRST COMMONWEALTH BANK  
Clearfield Main Office  
1800 Daisy Street Ext Suite 360  
Clearfield, PA 16830

**WHEN RECORDED MAIL TO:**

First Commonwealth Bank  
FCSC LS-Commercial  
P.O Box 400, FCSC - LS Commercial  
Indiana, PA 15701

**SEND TAX NOTICES TO:**

Steven M Scaife  
Brenda L Scaife  
RR 1, Box 391D  
Philipsburg, PA 16866

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

**MORTGAGE**

**THIS MORTGAGE** dated April 30, 2004, is made and executed between Steven M Scaife and Brenda L Scaife; **HUSBAND & WIFE** (referred to below as "Grantor") and **FIRST COMMONWEALTH BANK**, whose address is 1800 Daisy Street Ext Suite 360, Clearfield, PA 16830 (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 thereto belonging or otherwise 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 Centre County, Commonwealth of Pennsylvania:

All that certain parcel situate in the Township of Decatur, County of Clearfield, Commonwealth of Pennsylvania, being the same premises which are being conveyed to the mortgagor by deed of Mark Scaife and Mary Scaife by deed dated 4/30/04 and to be recorded in the Office of the Recorder of Deeds of Clearfield County immediately prior to the recording of this mortgage; said parcel is further described on the attached Exhibit "A"

The Real Property or its address is commonly known as RR 1, Box 536 Route 53S, Philipsburg, PA 16866.

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 \$225,000.00, 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 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 permissible 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. 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 thirty (30) 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.

**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 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 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.

**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 execute financing statements and take whatever other 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, resiled, 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 as first and prior liens 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.

**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.

**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, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

**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.

**Right to Cure.** If such a failure is curable and if Borrower or Grantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Borrower or Grantor, after Lender sends written notice demanding cure of such failure: (a) cures the failure within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates steps sufficient to cure the failure and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**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.

**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. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs in that 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 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.

**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 Scaife Automotive Company, Incorporated; Steven M Scaife; and Brenda L Scaife 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.

**Grantor.** The word "Grantor" means Steven M Scaife and Brenda L Scaife.

**Guaranty.** The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party 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.

**Lender.** The word "Lender" means FIRST COMMONWEALTH 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 April 30, 2004, in the original principal amount of \$225,000.00 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. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

**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, guarantees, 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:**

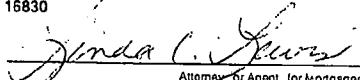
  
X \_\_\_\_\_  
Steven M Scaife  
(Seal)

  
X \_\_\_\_\_  
Brenda L Scaife  
(Seal)

#### CERTIFICATE OF RESIDENCE

I hereby certify, that the precise address of the mortgagor, FIRST COMMONWEALTH BANK, herein is as follows:

Clearfield Mall Office, 1800 Daisy Street Ext Suite 360, Clearfield, PA 16830

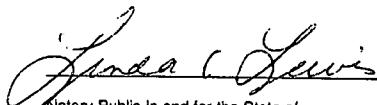
  
Linda C. Lewis  
Attorney or Agent for Mortgagor

## INDIVIDUAL ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF CLEARFIELD)  
) SS  
)

On this, the 30th day of April, 20 04, before me \_\_\_\_\_, the undersigned Notary Public, personally appeared Steven M Scalfi, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he or she executed the same for the purposes therein contained.

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



Notary Public in and for the State of \_\_\_\_\_

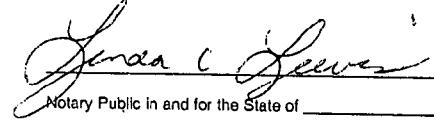
COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Linda C. Lewis, Notary Public  
Clearfield Boro, Clearfield County  
My Commission Expires July 25, 2007

## INDIVIDUAL ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF CLEARFIELD) ...  
) SS  
)

On this, the 30th day of April, 20 04, before me \_\_\_\_\_, the undersigned Notary Public, personally appeared Brenda L Scalfi, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he or she executed the same for the purposes therein contained.

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



Notary Public in and for the State of \_\_\_\_\_

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Linda C. Lewis, Notary Public  
Clearfield Boro, Clearfield County  
My Commission Expires July 25, 2007

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ALL of those certain lots or tracts of land situate in Decatur Township, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at a stake corner said corner being on the Northern right-of-way line of State Highway Route No. 53 leading from Philipsburg to Osceola Mills and on the Eastern side of a 20-foot alley; thence along said alley North Fifty-two degrees Eighteen minutes West (N 52° 18'W) a distance of One Hundred Sixty-one and Forty hundredths (161.40') feet to a stake; thence by land now or formerly of R. J. Real Estate North Forty-six degrees Fifty-three minutes East (N 46° 53'E) a distance of One Hundred Sixty-six and Four hundredths (166.4') to a stake; thence South Twenty-two degrees Thirty-seven minutes East (S 22° 37' E) a distance of One Hundred Ninety-nine (199') feet through land of which this is a part to a stake on the Northern right-of-way line of State Highway Route No. 53; thence South Sixty-seven degrees West (S 67° W) a distance of Eighty-one and Ten hundredths (81.10') feet along the Northern right of way of State Highway Route No. 53 to stake and place of beginning.

EXCEPTING AND RESERVING such exceptions and reservations as are contained in prior deeds in the chain of title.

THE SECOND THEREOF: BEGINNING at a corner where a private road joins the boundary line of Highway Route No. 53; thence along said highway route in a Westerly direction Two Hundred and sixty-one (261') feet to a post corner and land of Gilpatrick; thence in a Northeasterly direction a distance of Sixty-one (61') feet; thence in a Northerly direction a distance of One Hundred and Ten (110') feet to a corner and line of Klett property; thence in an Easterly direction a distance of One hundred and Sixty-eighty (168') feet to a post corner on line of private road; thence along said private road a distance of Two Hundred and Fifty (250') feet to line of Route 53 and place of beginning.

EXCEPTING and RESERVING from all the herein described premises that parcel or piece of land as was conveyed unto Steven M. Scaife and Brenda L. Scaife, his wife, by deed of Richard H. Scaife, et ux dated October 20, 1987, and entered for record in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania, in Deeds and Records Volume 1190, page 264, on October 29, 1987.

BEING the same premises conveyed to the Mortgagors herein by  
deed of Steven M. Scaife, et al dated April 30, 2004 and  
recorded in the Office of the Register and Recorder for  
Clearfield County as Instrument No. 200406697.

# PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll.	Account	Officer	Initials
\$100,000.00	04-30-2004	04-30-2011	89002		9251781526	***	<i>MM</i>

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:** Scalfi Automotive Company, Incorporated (TIN: 25-1781526); Steven M Scalfi (SSN: 174-54-3064); and Brenda L Scalfi (SSN: 159-54-7138)  
RR 1, Box 536 Route 53S  
Phillipsburg, PA 16866

**Lender:** FIRST COMMONWEALTH BANK  
Clearfield Mall Office  
1800 Daisy Street Ext Suite 360  
Clearfield, PA 16830  
(800) 711-2265

**Principal Amount:** \$100,000.00

**Initial Rate:** 5.750%

**Date of Note:** April 30, 2004

**PROMISE TO PAY.** Scalfi Automotive Company, Incorporated; Steven M Scalfi; and Brenda L Scalfi ("Borrower") jointly and severally promise to pay to FIRST COMMONWEALTH BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Hundred Thousand & 00/100 Dollars (\$100,000.00), together with interest on the unpaid principal balance from April 30, 2004, until paid in full.

**PAYMENT.** Subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in 84 payments of \$1,452.88 each payment. Borrower's first payment is due May 30, 2004, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on April 30, 2011, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; and then to any unpaid collection costs. 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.

**VARIABLE INTEREST RATE.** The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the 3 Year FHLB rate as quoted by the Pittsburgh Federal Home Loan Bank on the last business day of the week preceding the "rate change event" week (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notice to Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. The interest rate change will not occur more often than each 3 years (the "rate change event"). Borrower understands that Lender may make loans based on other rates as well. The initial rate is based on the Index as of April 30, 2004 which was 2.820% per annum. Initially, the interest rate to be applied to the unpaid principal balance of the Note is 5.750%. After the first rate change event, the interest rate to be applied to the unpaid principal balance of this Note will be at a rate of 2.900 percentage points over the Index. Notwithstanding the foregoing, the variable interest rate or rates provided for in this Note will be subject to the following minimum and maximum rates. NOTICE: Under no circumstances will the interest rate on this Note be less than 5.750% per annum or more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) increase Borrower's payments to cover accruing interest, (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

**PREPAYMENT PENALTY.** Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Upon prepayment of this Note, Lender is entitled to the following prepayment penalty: In the event of the payment in full of this Promissory Note prior to twelve (12) months to the Maturity Date with funds obtained from another financial institution, the Borrower promises to pay a penalty equal to one percent (1%) of the principal amount outstanding at the time of Prepayment. Except for the foregoing, Borrower may pay 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: FIRST COMMONWEALTH BANK, Clearfield Mall Office, 1800 Daisy Street Ext Suite 360, Clearfield, PA 16830.

**INTEREST AFTER DEFAULT.** Upon default, including failure to pay upon final maturity, Lender, at its option, may, if permitted under applicable law, increase the variable interest rate on this Note to 7.900 percentage points over the Index. 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 interest rate applicable to this Note at the time judgment is entered.

**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.

**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. 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, endorser, surety, or accommodation party of any of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, Lender, at its option, may, but shall not be required to, permit the guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

**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.

**Cure Provisions.** If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured (and no event of default will have occurred) if Borrower, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**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.

**EXPENSES.** If Lender institutes any suit or action to enforce any of the terms of this Note, Lender shall be entitled to recover such sum as the court may adjudge reasonable. 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 loan 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 expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals, to the extent permitted 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.

**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, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

**COLLATERAL.** Borrower acknowledges this Note is secured by Security Interest in All Inventory and Equipment; whether any of the foregoing is owned now or acquired later, all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and accounts proceeds) AND Mortgage of even date herewith on real estate located in the Township of Decatur, County of Centre, Commonwealth of Pennsylvania, to be conveyed to Steven M. Scaife and Brenda L. Scaife by deed of Mark Scaife and Mary Scaife; said deed to be recorded immediately prior to the recording of the mortgage AND Assignment of Rents on the premises known as RR 1, Box 535 Route 535, Philipsburg PA.

**LIMITATION OF ACTION.** If the Borrower has any cause of action against the Lender, now or in the future, arising out of the Related Documents and the transactions contemplated by the Related Documents, whether in contract or tort or otherwise, the Borrower must assert the claim within one year of the occurrence of the event which gives rise to a cause of action. If the Borrower does not assert the claim within one year of the occurrence of a cause of action, the Borrower will be barred from asserting the claim. Borrower and Lender agree that the one year time period is reasonable and sufficient for the Borrower to investigate and act upon the claim and that the provision shall survive any termination of the Agreement.

**LATE CHARGE.** A late charge will be assessed in the amount of 5% of the regular payment or portion thereof that remains unpaid for more than ten (10) days beyond the due date. The minimum late charge amount is \$25.00. This charge will be immediately due and payable.

**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. Each Borrower understands and agrees that, with or without notice to Borrower, Lender may with respect to any other Borrower (a) make one or more additional secured or unsecured loans or otherwise extend additional credit; (b) alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of any indebtedness, including increases and decreases of the rate of interest on the indebtedness; (c) exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any security, with or without the substitution of new collateral; (d) apply such security and direct the order or manner of sale thereof, including without limitation, any non-judicial sale permitted by the terms of the controlling security agreements, as Lender in its discretion may determine; (e) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; and (f) determine how, when and what application of payments and credits shall be made on any other indebtedness owing by such other Borrower. 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 and, with or without complaint filed, as of any term, confess or enter judgment against Borrower for the entire principal balance of this Note and all accrued interest, 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); 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.

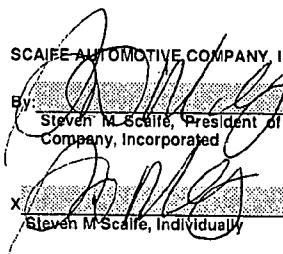
**PRIOR TO SIGNING THIS NOTE, EACH BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. EACH BORROWER AGREES TO THE TERMS OF THE NOTE.**

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

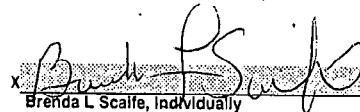
**THIS NOTE IS GIVEN UNDER SEAL AND IT IS INTENDED THAT THIS NOTE IS AND SHALL CONSTITUTE AND HAVE THE EFFECT OF A SEALED INSTRUMENT ACCORDING TO LAW.**

**BORROWER:**

SCAIFE AUTOMOTIVE COMPANY, INCORPORATED

By:  (Seal)  
Steven M. Scaife, President of Scaife Automotive  
Company, Incorporated

X  (Seal)  
Steven M. Scaife, Individually

 (Seal)  
Brenda L. Scaife, Individually

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

THIS PAGE IS NOW PART OF THIS LEGAL DOCUMENT

**Do Not Detach**

THIS IS A CERTIFICATION PAGE

Karen L. Stark  
Recorder of Deeds



*Karen L. Stark*

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

<u>*FEES</u>	
STATE WRT TAX	\$0.50
JCS/ACCESS TO JUSTICE	\$10.00
RECORDING FEES -	\$21.00
RECOORDER IMPROVEMENT	\$3.00
RECOORDER	
FUND	
COUNTY IMPROVEMENT FUND	\$2.00
TOTAL	\$36.50

\*Customer - NADDEO & ASSOCIATES  
\*Mortgagee - FIRST COMMONWEALTH BANK  
\*Mortgagor - SCARF, STEVEN M  
Invoice Number - 109861  
\*Total Pages - 9  
Instrument Type - MORTGAGE  
Recorded On 4/30/2004 At 3:30:57 PM  
Instrument Number - 200406699  
NADDEO & ASSOCIATES  
P.O. Box 552  
CLEARFIELD, PA 16830  
Maurine Ihlow - Chief Deputy  
Karen L. Stark, Recorder  
\*RETURN DOCUMENT TO:

Clearfield, Pennsylvania 16830  
1 North Second Street, Suite 103  
P.O. Box 361  
Maurine Ihlow - Chief Deputy  
Karen L. Stark, Recorder  
**RECOORDER OF DEEDS**  
**CLEARFIELD COUNTY**



**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 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 permissible 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. 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 thirty (30) 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.

**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 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 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.

**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 execute financing statements and take whatever other 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.

**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.

**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, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

**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.

**Right to Cure.** If such a failure is curable and if Borrower or Grantor has not been given a notice of a breach of the same provision of this Mortgage within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Borrower or Grantor, after Lender sends written notice demanding cure of such failure: (a) cures the failure within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates steps sufficient to cure the failure and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**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.

**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. 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 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.

**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 Scaife Automotive Company, Incorporated; Steven M Scaife; and Brenda L Scaife 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.

**Grantor.** The word "Grantor" means Steven M Scaife and Brenda L Scaife.

**Guaranty.** The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party 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.

**Lender.** The word "Lender" means FIRST COMMONWEALTH 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 April 30, 2004, in the original principal amount of \$100,000.00 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. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE.**

**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.

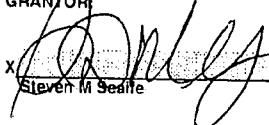
**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guarantees, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether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

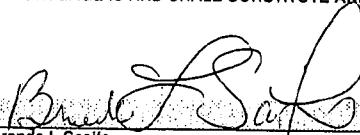
**Rents.** The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

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   
Steven M Scaife  
(Seal)

X   
Brenda L Scaife  
(Seal)

### CERTIFICATE OF RESIDENCE

I hereby certify, that the precise address of the mortgagor, FIRST COMMONWEALTH BANK, herein is as follows:

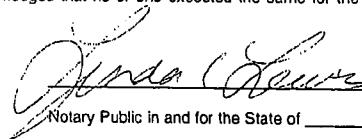
Clearfield Mall Office, 1800 Daisy Street Ext Suite 360, Clearfield, PA 16830

## INDIVIDUAL ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF CLEARFIELD)  
) SS  
)

On this, the 30th day of April, 2004, before me \_\_\_\_\_, the undersigned Notary Public, personally appeared Steven M Scalfi, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he or she executed the same for the purposes therein contained.

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

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Linda C. Lewis, Notary Public  
Clearfield Boro, Clearfield County  
My Commission Expires July 25, 2007  
Notary Public in and for the State of \_\_\_\_\_

## INDIVIDUAL ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA  
COUNTY OF CLEARFIELD)  
) SS  
)

On this, the 30th day of April, 2004, before me \_\_\_\_\_, the undersigned Notary Public, personally appeared Brenda L Scalfi, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he or she executed the same for the purposes therein contained.

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

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Linda C. Lewis, Notary Public  
Clearfield Boro, Clearfield County  
My Commission Expires July 25, 2007  
Notary Public in and for the State of \_\_\_\_\_

ALL of those certain lots or tracts of land situate in Decatur Township, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at a stake corner said corner being on the Northern right-of-way line of State Highway Route No. 53 leading from Philipsburg to Osceola Mills and on the Eastern side of a 20-foot alley; thence along said alley North Fifty-two degrees Eighteen minutes West (N 52° 18'W) a distance of One Hundred Sixty-one and Forty hundredths (161.40') feet to a stake; thence by land now or formerly of R. J. Real Estate North Forty-six degrees Fifty-three minutes East (N 46° 53'E) a distance of One Hundred Sixty-six and Four hundredths (166.4') to a stake; thence South Twenty-two degrees Thirty-seven minutes East (S 22° 37' E) a distance of One Hundred Ninety-nine (199') feet through land of which this is a part to a stake on the Northern right-of-way line of State Highway Route No. 53; thence South Sixty-seven degrees West (S 67° W) a distance of Eighty-one and Ten hundredths (81.10') feet along the Northern right of way of State Highway Route No. 53 to stake and place of beginning.

EXCEPTING AND RESERVING such exceptions and reservations as are contained in prior deeds in the chain of title.

THE SECOND THEREOF: BEGINNING at a corner where a private road joins the boundary line of Highway Route No. 53; thence along said highway route in a Westerly direction Two Hundred and sixty-one (261') feet to a post corner and land of Gilpatrick; thence in a Northeasterly direction a distance of Sixty-one (61') feet; thence in a Northerly direction a distance of One Hundred and Ten (110') feet to a corner and line of Klett property; thence in an Easterly direction a distance of One hundred and Sixty-eighty (168') feet to a post corner on line of private road; thence along said private road a distance of Two Hundred and Fifty (250') feet to line of Route 53 and place of beginning.

EXCEPTING and RESERVING from all the herein described premises that parcel or piece of land as was conveyed unto Steven M. Scaife and Brenda L. Scaife, his wife, by deed of Richard H. Scaife, et ux dated October 20, 1987, and entered for record in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania, in Deeds and Records Volume 1190, page 264, on October 29, 1987.

BEING the same premises conveyed to the Mortgagors herein by  
deed of Steven M. Scaife, et al dated April 30, 2004 and  
recorded in the Office of the Register and Recorder for  
Clearfield County as Instrument No. 200426697.

**VERIFICATION**

I, Gary R. Carpenter, Loan Workout Officer I, First Commonwealth Bank, do hereby depose and say, 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 upon my information and belief. I further depose and say that, in my position as Loan Workout Officer I, I am duly authorized to make this authorization on behalf of the Bank.



Gary R. Carpenter  
Loan Workout Officer I  
First Commonwealth Bank

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102469  
NO: 07-264-CD  
SERVICE # 1 OF 2  
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: FIRST COMMONWEALTH BANK  
VS.  
DEFENDANT: STEVEN M. SCAIFE and BRENDA L. SCAIFE

SHERIFF RETURN

---

NOW, March 14, 2007 AT 10:10 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON STEVEN M. SCAIFE DEFENDANT AT 134 WOOD ST., PHILIPSBURG, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO RYAN SCAIFE, SON A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER / DEHAVEN

FILED  
012:55PM  
MAY 22 2007  
WAS  
William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102469  
NO: 07-264-CD  
SERVICE # 2 OF 2  
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: FIRST COMMONWEALTH BANK  
VS.  
DEFENDANT: STEVEN M. SCAIFE and BRENDA L. SCAIFE

**SHERIFF RETURN**

---

NOW, March 14, 2007 AT 10:10 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON BRENDA L. SCAIFE DEFENDANT AT 134 WOOD ST., PHILIPSBURG, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO RYAN SCAIFE, SON A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER / DEHAVEN

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102469  
NO: 07-264-CD  
SERVICES 2  
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: FIRST COMMONWEALTH BANK  
vs.  
DEFENDANT: STEVEN M. SCAIFE and BRENDA L. SCAIFE

**SHERIFF RETURN**

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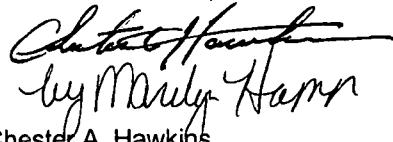
RETURN COSTS

Description	Paid By	CHECK #	AMOUNT
SURCHARGE	ARENSBERG	298327	20.00
SHERIFF HAWKINS	ARENSBERG	298327	80.00

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

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
Plaintiff, )  
vs. ) No. 07-264-CD  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
Defendants. )

OPY

**NOTICE OF JUDGMENT**

To: Steven M. Scaife  
134 Wood Street  
Philipsburg, PA 16866

You are hereby notified that a Judgment in Mortgage Foreclosure was entered against you  
on May 25, 2007, in the amount of **\$298,206.98**, plus continuing interest  
at the contract rate together with costs, late charges, and attorneys fees.

Willie L. Shanahan  
Prothonotary, Clearfield County

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
Plaintiff, )  
vs. ) No. 07-264-CD  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
Defendants. )

OPY

**NOTICE OF JUDGMENT**

To: Brenda L. Scaife  
134 Wood Street  
Philipsburg, PA 16866

You are hereby notified that a Judgment in Mortgage Foreclosure was entered against you  
on May 25, 2007, in the amount of **\$298,206.98**, plus continuing interest  
at the contract rate together with costs, late charges, and attorneys fees.

  
\_\_\_\_\_  
Prothonotary, Clearfield County

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

COPY

First Commonwealth Bank  
Plaintiff(s)

No.: 2007-00264-CD

Real Debt: \$298,206.98

Atty's Comm: \$

. Vs.

Costs: \$

Int. From: \$

Steven M. Scaife  
Brenda L. Scaife  
Defendant(s)

Entry: \$20.00

Instrument: Default Judgment

Date of Entry: May 25, 2007

Expires: May 25, 2012

Certified from the record this 25th day of May, 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

FIRST COMMONWEALTH BANK,

Plaintiff,

vs.

STEVEN M. SCAIFE and  
BRENDA L. SCAIFE,

Defendants.

CIVIL DIVISION

No. 07-264-CD

PRAECIPE TO ISSUE  
WRIT OF EXECUTION IN  
MORTGAGE FORECLOSURE

Filed on behalf of FIRST  
COMMONWEALTH BANK, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Michael J. Stauber, Esquire  
Pa. I.D. No. 201022  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

CERTIFICATE OF ADDRESS:

R.R. 1, Box 536, Route 53S  
Philipsburg, Pennsylvania 16866  
Tax Parcel I.D. No. 112-P12-692-56

FILED Atty Ad. 20.00  
172-05801  
JUL 25 2007 1CC&Lwnts  
w/prop. desc.  
William A. Shaw  
Prothonotary/Clerk of Courts to Sheriff

(6)

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
 )  
 Plaintiff, ) No. 07-264-CD  
 )  
 vs. )  
 )  
 STEVEN M. SCAIFE and )  
 BRENDA L. SCAIFE, )  
 )  
 Defendants. )

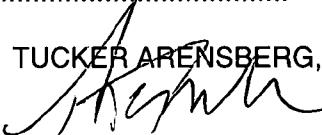
**PRAECIPE FOR WRIT OF EXECUTION IN MORTGAGE FORECLOSURE**

TO: Prothonotary of Clearfield County:

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

Judgment Amount.....	\$298,206.98
Interest from 05/08/07 through 07/31/07 per diem (\$33.803943) (Note-1) .....	2,873.34
Interest from 05/08/07 through 07/31/07 per diem (\$11.715751) (Note-2) .....	995.84
Late Charges (5% of \$1,590.44/mo. pmt. or \$79.52/mo. for months of May through July, 2007 (Note-1).....	238.56
Late Charges (5% of \$1,452.88/mo. pmt. or \$72.64/mo. for months of May through July, 2007 (Note-2).....	217.92
Foreclosure Fees .....	<u>800.00</u>
Sub-total.....	\$303,332.64
Additional Interest to Sale Date (to be added by Prothonotary) .....	_____
Additional Late Charges to Date of Sale (to be added by Prothonotary) .....	_____
Costs (to be added by the Prothonotary) .....	<u>125.00</u>
Total.....	\$ _____

TUCKER ARENSBERG, P.C.

  
Thomas E. Reiber, Esquire  
Michael J. Stauber, Esquire  
Attorneys for First Commonwealth Bank, Plaintiff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
Plaintiff, ) No. 07-264-CD  
vs. )  
STEVEN M. SCAIFE and BRENDA L. )  
SCAIFE, )  
Defendants. )

AFFIDAVIT OF NON-MILITARY SERVICE

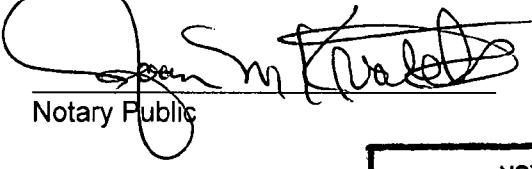
COMMONWEALTH OF PENNSYLVANIA )  
COUNTY OF INDIANA ) SS:

I, Gary R. Carpenter, Loan Workout Officer I, First Commonwealth Bank, being duly sworn according to law, hereby depose and say that the Defendants, Steven M. Scaife and Brenda L. Scaife, are not members of the military service of the United States of America to the best of my knowledge, information, and belief.

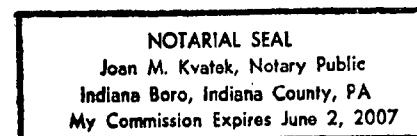
  
Gary R. Carpenter  
Loan Workout Officer I  
First Commonwealth Bank

Sworn to and subscribed before me

this 5<sup>th</sup> day of February, 2007.

  
Notary Public

My Commission Expires:



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,

CIVIL DIVISION

Plaintiff,

No. 07-264-CD

vs.

STEVEN M. SCAIFE and  
BRENDA L. SCAIFE,

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

Defendant.

Filed on behalf of FIRST  
COMMONWEALTH BANK, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Michael J. Stauber, Esquire  
Pa. I.D. No. 201022  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
 )  
 )  
 vs. )  
 )  
 STEVEN M. SCAIFE and )  
 BRENDA L. SCAIFE, )  
 )  
 Defendants. )

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

FIRST COMMONWEALTH BANK, Plaintiff in the above action, by its attorneys, Tucker Arensberg, P.C., sets forth as of the date of the Praecept for Writ of Execution was filed the following information concerning the real property located at R.R. 1, Box 536, Route 53S, Philipsburg, Clearfield County, Pennsylvania (Tax Parcel No. 112-P12-692-56):

1. Name and address of the Owner(s) or Reputed Owner(s):

STEVEN M. SCAIFE and 134 Wood Street  
BRENDA L. SCAIFE Philipsburg, Pennsylvania 16866

2. Name and address of Defendant(s) in the judgment:

SAME AS ABOVE

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

FIRST COMMONWEALTH BANK, c/o Thomas E. Reiber, Esquire  
Tucker Arensberg, P.C.  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222

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

FIRST COMMONWEALTH BANK, c/o Thomas E. Reiber, Esquire  
Tucker Arensberg, P.C.  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222

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

UNKNOWN

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

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

CLEARFIELD COUNTY TAX CLAIM	Clearfield County Courthouse 1 North Second Street Clearfield, Pennsylvania 16830
DECATUR TOWNSHIP	c/o Jack Webster, Tax Collector 920 Drane Highway Osceola Mills, Pennsylvania 16666
OSCEOLA - PHILIPSBURG SCHOOL DISTRICT	c/o Jack Webster, Tax Collector 920 Drane Highway Osceola Mills, Pennsylvania 16666
CLEARFIELD COUNTY	c/o Jack Webster, Tax Collector 920 Drane Highway Osceola Mills, Pennsylvania 16666

7. Name and address of every other person of whom the Plaintiff has knowledge who has any interest in the property which may be affected by the sale:

CLEARFIELD COUNTY DOMESTIC RELATIONS	230 E. Market Street Clearfield, Pennsylvania 16830
---	--

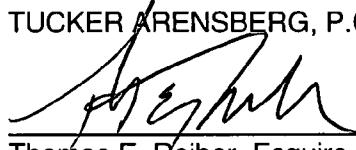
The information provided in the foregoing Affidavit is provided solely to comply with the Pennsylvania Rules of Civil Procedure 3129.1, and it is not intended to be a comprehensive abstract of the condition of the title of the real estate which is being sold under this execution. No person or entity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

I verify that the statements made in this Affidavit are true and correct to the best of my personal knowledge or information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa. C.S. Section 4904 relating to unsworn falsification to authorities.

TUCKER ARENSBERG, P.C.

Dated: July 23, 2007

By:

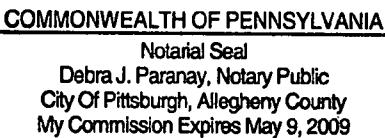
  
\_\_\_\_\_  
Thomas E. Reiber, Esquire  
Michael J. Stauber, Esquire  
Attorney for First Commonwealth Bank, Plaintiff

Sworn to and subscribed before me  
this 23rd day of July, 2007.

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

My Commission Expires:

304011.1:BF/#11555-26422



Member, Pennsylvania Association of Notaries

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,

Plaintiff,

vs.

STEVEN M. SCAIFE and  
BRENDA L. SCAIFE,

Defendants.

CIVIL DIVISION

No. 07-264-CD

AFFIDAVIT OF ACT 6

Filed on behalf of FIRST  
COMMONWEALTH BANK, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Michael J. Stauber, Esquire  
Pa. I.D. No. 201022  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
)  
Plaintiff, ) No. 07-264-CD  
)  
vs. )  
)  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
)  
Defendants. )  
  
COMMONWEALTH OF PENNSYLVANIA )  
)  
COUNTY OF ALLEGHENY ) SS:  
)

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

THAT Notice of First Commonwealth Bank's intention to foreclose, pursuant to 41 P.S.  
§403 (Act 6 of 1974), was not sent to Defendants as the Premises are of a commercial nature  
and therefore exempt.

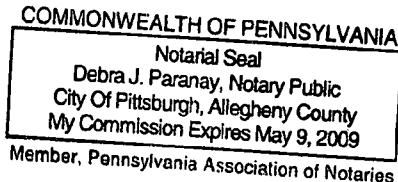


\_\_\_\_\_  
Thomas E. Reiber, Esquire  
Attorney for First Commonwealth Bank, Plaintiff

Sworn to and subscribed before me  
this 23rd day of July, 2007.

Debra Paranay  
\_\_\_\_\_  
Notary Public

My Commission Expires:



304011.1:BF  
11555-131169

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,

CIVIL DIVISION

Plaintiff,

No. 07-264-CD

vs.

STEVEN M. SCAIFE and  
BRENDA L. SCAIFE,

AFFIDAVIT OF ACT 91

Defendants.

Filed on behalf of FIRST  
COMMONWEALTH BANK, Plaintiff

Counsel of record for this party:

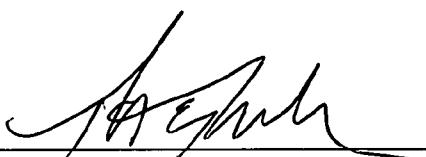
Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Michael J. Stauber, Esquire  
Pa. I.D. No. 201022  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
)  
Plaintiff, ) No. 07-264-CD  
)  
vs. )  
)  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
)  
Defendants. )  
)  
COMMONWEALTH OF PENNSYLVANIA )  
)  
COUNTY OF ALLEGHENY ) SS:

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

THAT Notice require by the Homeowners' Emergency Mortgage Assistance Act, Act 91  
(35 P.S. §§1680.401c, et seq.), was not sent to Defendants as the Premises are of a  
commercial nature and therefore exempt.



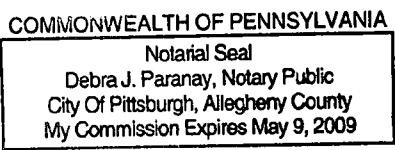
Thomas E. Reiber, Esquire  
Attorney for First Commonwealth Bank, Plaintiff

Sworn to and subscribed before me  
this 23rd day of July, 2007.



Debra J. Paranay  
Notary Public

My Commission Expires:



Member, Pennsylvania Association of Notaries

304011.1:BF  
11555-131169

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,

CIVIL DIVISION

Plaintiff,

No. 07-264-CD

vs.

STEVEN M. SCAIFE and  
BRENDA L. SCAIFE,

AFFIDAVIT OF LAST KNOWN  
ADDRESS OF DEFENDANTS

Defendants.

Filed on behalf of FIRST  
COMMONWEALTH BANK, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Michael J. Stauber, Esquire  
Pa. I.D. No. 201022  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
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(412) 566-1212

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

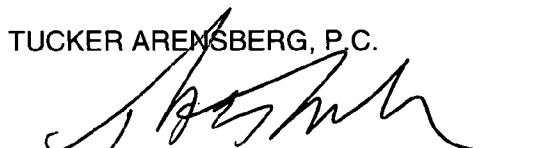
FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
)  
Plaintiff, ) No. 07-264-CD  
)  
vs. )  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
)  
Defendants. )  
  
COMMONWEALTH OF PENNSYLVANIA )  
)  
COUNTY OF ALLEGHENY ) SS:)

**AFFIDAVIT OF LAST KNOWN ADDRESS OF DEFENDANTS**

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

1. That he is counsel for the Plaintiff in the above referenced matter.
2. That to the best of his knowledge, information and belief, the last known address of Defendants is 134 Wood Street, Philipsburg, Pennsylvania 16866.

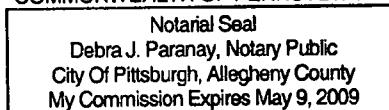
TUCKER ARENSBERG, P.C.

  
\_\_\_\_\_  
Thomas E. Reiber, Esquire  
Attorney for First Commonwealth Bank, Plaintiff

Sworn to and subscribed before me  
this 23rd day of July, 2007.

  
\_\_\_\_\_  
Notary Public

My Commission Expires  
COMMONWEALTH OF PENNSYLVANIA



304011.1:BF/#11555-131169

Member, Pennsylvania Association of Notaries

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

First Commonwealth Bank

Vs.

NO.: 2007-00264-CD

Steven M. Scaife and Brenda L. Scaife

**COPY**

**TO THE SHERIFF OF CLEARFIELD COUNTY:**

To satisfy the judgment, interest and costs in the above matter you are directed to levy upon and sell the following described property:

(1) See Attached Description

AMOUNT DUE/PRINCIPAL:.....	<b>\$298,206.98</b>	PROTH. COSTS PAID:.....	<b>\$125.00</b>
INTEREST FROM: \$		SHERIFF: \$	
ATTY'S COMM: \$		OTHER COSTS: \$	
INTEREST from 05/08/07 through 07/31/07		LATE CHARGES (5% of \$1,590.44/mo.pmt. or	
per diem (\$33.803943) (Note-1):.....	<b>\$2,873.34</b>	\$79.52/mo. May-July, 2007 (Note-1):.....	<b>\$238.56</b>
INTEREST from 05/08/07 through 07/31/07		LATE CHARGES (5% of \$1,452.88/mo. pmt. or	
per diem (\$11.715751) (Note-2):.....	<b>\$995.84</b>	\$72.64/mo. May-July, 2007 (Note-2):.....	<b>\$217.92</b>
DATE: 07/25/2007		FORECLOSURE FEES:.....	<b>\$800.00</b>



William A. Shaw  
Prothonotary/Clerk Civil Division

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

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

\_\_\_\_\_  
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

**FILED**

FIRST COMMONWEALTH BANK,

CIVIL DIVISION

Plaintiff,

NOV 08 2007

vs.

STEVEN M. SCAIFE and  
BRENDA L. SCAIFE,

No. 07-264-CD

William A. Shaw  
Prothonotary/Clerk of Courts

Defendants.

CERTIFICATE OF SERVICE OF  
ORDER GRANTING MOTION TO  
DETERMINE SUFFICIENCY OF  
NOTICE OF SHERIFF SALE  
UNDER PA. R.C.P. 3129.2

Filed on behalf of FIRST  
COMMONWEALTH BANK, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Michael J. Stauber, Esquire  
Pa. I.D. No. 201022  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

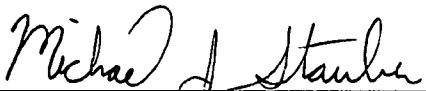
IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
 )  
 Plaintiff, ) No. 07-264-CD  
 )  
 vs. )  
 )  
 STEVEN M. SCAIFE and )  
 BRENDA L. SCAIFE, )  
 )  
 Defendants. )

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the Order granting First Commonwealth Bank's Motion to Determine Sufficiency of Notice of Sheriff Sale Under Pa. R.C.P. 3129.2 was served upon the defendants by first class, postage prepaid, U.S. Mail, utilizing PS Form 3817, on October 23, 2007. True and correct copies of the PS Forms 3817 are attached hereto and incorporated herein as Exhibit "A".

TUCKER ARENSBERG, P.C.

  
\_\_\_\_\_  
Michael J. Stauber, Esquire  
Counsel to First Commonwealth Bank, Plaintiff

311233.1:BF  
11555-131169

*PARANAY*

U.S. POSTAL SERVICE	CERTIFICATE OF MAILING
MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT PROVIDE FOR INSURANCE-POSTMASTER	
Received From:	TUCKER ARENSBERG, P.C. 1500 ONE PPG PLACE PITTSBURGH, PENNSYLVANIA 15222
One piece of ordinary mail addressed to:	
<ul style="list-style-type: none"> <li>- Steven M. Scaife</li> <li>- 134 Wood Street</li> <li>- Philipsburg, PA 16866</li> </ul>	
<small>PS Form 3817, January 2001</small> <small>#11555-131169</small>	

**\$0 1.050**

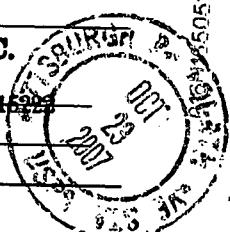
Hasler

016H46505103

10/23/2007

Mailed From 15222

U.S. POSTAL SERVICE




*PARANAY*

U.S. POSTAL SERVICE	CERTIFICATE OF MAILING
MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT PROVIDE FOR INSURANCE-POSTMASTER	
Received From:	TUCKER ARENSBERG, P.C. 1500 ONE PPG PLACE PITTSBURGH, PENNSYLVANIA 15222
One piece of ordinary mail addressed to:	
<ul style="list-style-type: none"> <li>- Brenda L. Scaife</li> <li>- 134 Wood Street</li> <li>- Philipsburg, PA 16866</li> </ul>	
<small>PS Form 3817, January 2001</small> <small>#11555-131169</small>	

**\$0 1.050**

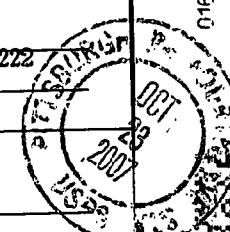
Hasler

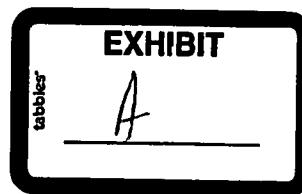
016H46505103

10/23/2007

Mailed From 15222

U.S. POSTAL SERVICE





IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,	)	CIVIL DIVISION
	)	
Plaintiff,	)	No. 07-264-CD
	)	
vs.	)	
	)	
STEVEN M. SCAIFE and	)	
BRENDA L. SCAIFE,	)	
	)	
Defendants.	)	

TO THE SHERIFF OF CLEARFIELD COUNTY:

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

**LEGAL DESCRIPTION OF REAL ESTATE**

ALL of those certain lots or tracts of land situate in Decatur Township, Clearfield County, Pennsylvania, bounded and described as follows:

**THE FIRST THEREOF:** BEGINNING at a stake corner said corner being on the Northern right-of-way line of State Highway Route No. 53 leading from Philipsburg to Osceola Mills and on the Eastern side of a 20-foot alley; thence along said alley North Fifty-two degrees Eighteen minutes West (N 52° 18'W) a distance of One Hundred Sixty-one and Forty hundredths (161.40') feet to a stake; thence by land now or formerly of R. J. Real Estate North Forty-six degrees Fifty-three minutes East (N 46° 53' E) a distance of One Hundred Sixty-six and Four hundredths (166.4') to a stake; thence South Twenty-two degrees Thirty-seven minutes East (S 22° 37' E) a distance of One Hundred Ninety-nine (199') feet through land of which this is a part to a stake on the Northern right-of-way line of State Highway Route No. 53; thence South Sixty-seven degrees West (S 67° W) a distance of Eighty-one and Ten hundredths (81.10') feet along the Northern right-of-way of State Highway Route No. 53 to stake and place of beginning.

EXCEPTING AND RESERVING such exceptions and reservations as are contained in prior deeds in the chain of title.

**THE SECOND THEREOF:** BEGINNING at a corner where a private road joins the boundary line of Highway Route No. 53; thence along said highway route in a Westerly direction Two Hundred and sixty-one (261') feet to a post corner and land of Gilpatrick; thence in a Northeasterly direction a distance of Sixty-one (61') feet; thence in a Northerly direction a distance of One Hundred and Ten (110') feet to a corner and line of Klett property; thence in an Easterly direction a distance of One hundred and Sixty-eight (168') feet to a post corner on line of private road; thence along said private road a distance of Two Hundred and Fifty (250') feet to line of Route 53 and place of beginning.

EXCEPTING AND RESERVING from all the herein described premises that parcel or piece of land as was conveyed unto Steven M. Scaife and Brenda L. Scaife, his wife, by deed of Richard H. Scaife, et ux dated October 20, 1987, and entered for record in the Office of the Recorder of

Deeds of Clearfield County, Pennsylvania, in Deeds and Records Volume 1190, page 264, on October 29, 1987.

BEING the same property granted and conveyed unto Steven M. Scaife and Brenda L. Scaife, husband and wife, by Deed of Mark Scaife and Mary Scaife, husband and wife, dated April 30, 2004, and recorded in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania on April 30, 2004 at Instrument No. 200406697.

CLEARFIELD COUNTY TAX PARCEL I.D. NO. 112-P12-692-56.

TUCKER ARENSBERG, P.C.



\_\_\_\_\_  
Thomas E. Reiber, Esquire  
Michael J. Stauber, Esquire  
Attorneys for First Commonwealth Bank, Plaintiff

304011.1:BF/#11555-131169

**FILED**

AUG 27 2007

M 8:30 AM  
William A. Shaw

Prothonotary/Clerk of Courts

100

OK

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,

CIVIL DIVISION

Plaintiff,

No. 07-264-CD

vs.

STEVEN M. SCAIFE and  
BRENDA L. SCAIFE,

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

Defendant.

Filed on behalf of FIRST  
COMMONWEALTH BANK, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Michael J. Stauber, Esquire  
Pa. I.D. No. 201022  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
)  
vs. )  
)  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
)  
Defendants. )

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

FIRST COMMONWEALTH BANK, Plaintiff in the above action, by its attorneys, Tucker Arensberg, P.C., sets forth as of the date of the Praeclipe for Writ of Execution was filed the following information concerning the real property located at R.R. 1, Box 536, Route 53S, Philipsburg, Clearfield County, Pennsylvania (Tax Parcel No. 112-P12-692-56):

1. Name and address of the Owner(s) or Reputed Owner(s):

STEVEN M. SCAIFE and 134 Wood Street  
BRENDA L. SCAIFE Philipsburg, Pennsylvania 16866

2. Name and address of Defendant(s) in the judgment:

SAME AS ABOVE

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

FIRST COMMONWEALTH BANK, c/o Thomas E. Reiber, Esquire  
Tucker Arensberg, P.C.  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222

TARGET NATIONAL BANK c/o Patenaue & Felix APC  
213 East Main Street  
Carnegie, Pennsylvania 15106

DISCOVER BANK 6500 Albany Road  
New Albany, Ohio 43054

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

FIRST COMMONWEALTH BANK, c/o Thomas E. Reiber, Esquire  
Tucker Arensberg, P.C.  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222

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

UNKNOWN

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

CLEARFIELD COUNTY TREASURER	P. O. Box 289 Clearfield, Pennsylvania 16830
CLEARFIELD COUNTY TAX CLAIM	Clearfield County Courthouse 1 North Second Street Clearfield, Pennsylvania 16830
DECATUR TOWNSHIP	c/o Jack Webster, Tax Collector 920 Drane Highway Osceola Mills, Pennsylvania 16666
OSCEOLA - PHILIPSBURG SCHOOL DISTRICT	c/o Jack Webster, Tax Collector 920 Drane Highway Osceola Mills, Pennsylvania 16666
CLEARFIELD COUNTY	c/o Jack Webster, Tax Collector 920 Drane Highway Osceola Mills, Pennsylvania 16666

7. Name and address of every other person of whom the Plaintiff has knowledge who has any interest in the property which may be affected by the sale:

CLEARFIELD COUNTY DOMESTIC RELATIONS	230 E. Market Street Clearfield, Pennsylvania 16830
---	--

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

I verify that the statements made in this Affidavit are true and correct to the best of my personal knowledge or information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa. C.S. Section 4904 relating to unsworn falsification to authorities.

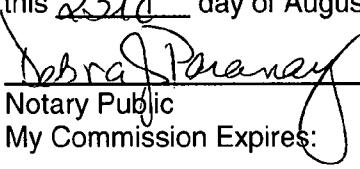
Dated: Aug. 23, 2007

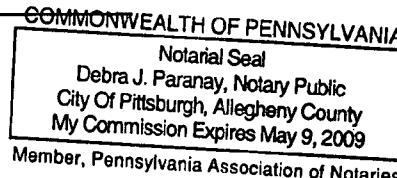
By:

  
TUCKER ARENSBERG, P.C.

Thomas E. Reiber, Esquire  
Michael J. Stauber, Esquire  
Attorney for First Commonwealth Bank, Plaintiff

Sworn to and subscribed before me  
this 23rd day of August, 2007.

  
Debra J. Paranay  
Notary Public  
My Commission Expires:



Member, Pennsylvania Association of Notaries

306317.1:BF/#11555-131169

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,

Plaintiff,

vs.

STEVEN M. SCAIFE and  
BRENDA L. SCAIFE,

Defendants.

CIVIL DIVISION

No. 07-264-CD

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

Filed on behalf of FIRST  
COMMONWEALTH BANK, Plaintiff

Counsel of record for this party:

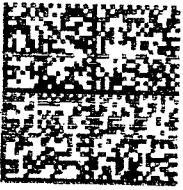
Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Michael J. Stauber, Esquire  
Pa. I.D. No. 201022  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

SALE DATE: OCTOBER 5, 2007

FILED NOCC  
OCT 31 2007  
SEP 28 2007  
LTM

William A. Shaw  
Prothonotary/Clerk of Courts

Line Number	Article Number	Name of Addressee, Street, and Post Office Address	Indicate Type of Mail:			Check Appropriate block for Registered Mail: With Postal Insurance			Affix stamp here if issued as certificate of mailing or for additional copies of this bill.						
			Registered for merchandise	Return Receipt for COD	Int'l Recorded Certified	Express Mail	Postage	Fee	Handling Charge	Act. Value (if Regis.)	Insured Value	Due Sender if COD	RR Fee	SD Fee	SH Fee
1		Clearfield County Treasurer P. O. Box 289 Clearfield, PA 16830					.41	.35							
2		Clearfield County Tax Claim Clearfield County Courthouse 1 North Second Street Clearfield, PA 16830					.41	.35							
3		Township of Deceau c/o Jack Webster, Tax Collector 920 Drane Highway Osceola Mills, PA 16666					.41	.35							
4		Osceola-Philipsburg School District c/o Jack Webster, Tax Collector 920 Drane Highway Osceola Mills, PA 16666					.41	.35							
5		Clearfield County c/o Jack Webster, Tax Collector 920 Drane Highway Osceola Mills, PA 16666					.41	.35							
6		Clearfield County Domestic Relations 230 E. Market Street Clearfield, PA 16830					.41	.35							
7		Target National Bank c/o Patenaue & Felix APC 213 East Main Street Carnegie, PA 15106					.41	.35							
8		Discover Bank 6500 Albany Road New Albany, OH 43054					.41	.35							
9							.41	.35							
10							.41	.35							



016H16505103  
\$02.800  
08/24/2007  
Mailed From 15222  
US POSTAGE

EXHIBIT A

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,

CIVIL DIVISION

Plaintiff,

No. 07-264-CD

vs.

STEVEN M. SCAIFE and  
BRENDA L. SCAIFE,

MOTION TO DETERMINE  
SUFFICIENCY OF NOTICE OF  
SHERIFF SALE UNDER PA. R.C.P. 3129.2

Defendants.

Filed on behalf of FIRST  
COMMONWEALTH BANK, Plaintiff

Counsel of record for this party:

Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Michael J. Stauber, Esquire  
Pa. I.D. No. 201022  
TUCKER ARENSBERG, P.C.  
Firm #287  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212

FILED  
OCT 17 2007  
NOCC  
6K

William A. Shaw  
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
)  
Plaintiff, ) No. 07-264-CD  
)  
vs. )  
)  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
)  
Defendants. )

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the within Motion to Determine Sufficiency of Notice of Sheriff Sale Under Pa. R.C.P. 3129.2 was served upon the defendants by first class, postage prepaid, U.S. Mail, on October 15, 2007, addressed as follows:

Steven M. Scaife  
134 Wood Street  
Philipsburg, PA 16866

Brenda L. Scaife  
134 Wood Street  
Philipsburg, PA 16866

TUCKER ARENSBERG, P.C.

  
\_\_\_\_\_  
Thomas E. Reiber, Esquire  
Counsel to First Commonwealth Bank, Plaintiff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
)  
Plaintiff, ) No. 07-264-CD  
)  
vs. )  
)  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
)  
Defendants. )

**MOTION TO DETERMINE SUFFICIENCY OF NOTICE  
OF SHERIFF SALE UNDER PA. R.C.P. 3129.2**

AND NOW COMES the Plaintiff, by and through its counsel, Tucker Arensberg, P.C., and moves this Honorable Court for an Order affirming that notice of the Sheriff's Sale is sufficient pursuant to Rule 3129.2 of the Pennsylvania Rules of Civil Procedure, and in support of said Motion avers as follows:

1. On or about February 21, 2007 Plaintiff filed a Complaint in Mortgage Foreclosure at the above docket number against the Defendants ("Complaint") on Defendants' property located at RR1, Box 536, Route 53S, Philipsburg, PA 16866 (the "Mortgaged Property").

2. Service of the Complaint on Defendants was completed by the Sheriff of Clearfield County, Pennsylvania on March 14, 2007 by handing true and correct copies thereof to Defendants' son Steven M. Scaife

3. Judgment in Mortgage Foreclosure was subsequently entered in the action against Defendants on May 25, 2007 by default, without entry of appearance by the Defendants.

4. A Writ of Execution was issued at said docket number on or about July 25, 2007, and the Mortgaged Property was scheduled to be sold at the Clearfield County Sheriff's Sale on October 5, 2007.

5. At all times relevant hereto, the property description contained in the Plaintiff's mortgage, the Complaint, attached to the Writ of Execution, and forwarded to the

Sheriff of Clearfield County as materials necessary to set a Sheriff Sale of the Mortgaged Property, described two parcels having one tax identification number.

6. Contained in Plaintiff's last property report bring-down, prior to the Sheriff Sale scheduled for October 5, 2007, Plaintiff received a report which for the first time indicated that the Mortgaged Property has two tax identification numbers.

7. Whereas the Mortgaged Property had been advertised by the Sheriff with one tax identification number, although legal description given for both parcels, the Plaintiff requested the Sheriff of Clearfield County to announce a postponement of the Sheriff Sale to the December 7, 2007 sale date.

8. The Plaintiff believes that the missing tax parcel identification number is not a sufficient error to terminate the Sheriff Sale, that substantial compliance with Pa. R.C.P. 3129.2 has occurred, and seeks an Order of this Court permitting the sale to go forward with an announcement by the Sheriff at the time of the sale providing both tax identification numbers for the Mortgaged Property.

WHEREFORE, Plaintiff moves this Honorable Court to enter an Order permitting Plaintiff to proceed with the Sheriff's Sale by having the Sheriff announce both tax parcel identification numbers prior to the sale, affirming that substantial compliance with Pa. R.C.P. 3129.2 be deemed sufficient notice of the execution sale; and further directing the Clearfield County Sheriff to sell the Mortgaged Property on December 7, 2007

TUCKER ARENSBERG, P.C.

By:

  
\_\_\_\_\_  
Thomas E. Reiber, Esquire  
Pa. I.D. No. 41825  
Michael J. Stauber, Esquire  
Pa. I.D. No. 201022  
1500 One PPG Place  
Pittsburgh, Pennsylvania 15222  
(412) 566-1212  
Attorneys for First Commonwealth Bank,  
Plaintiff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

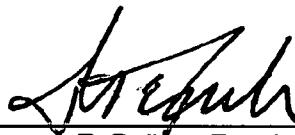
FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
Plaintiff, ) No. 07-264-CD  
vs. )  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
Defendants. )  
  
COMMONWEALTH OF PENNSYLVANIA )  
COUNTY OF ALLEGHENY ) SS:

BEFORE ME the undersigned a Notary Public in and for aforesaid Commonwealth and County, personally appeared Thomas E. Reiber, Esquire, attorney for First Commonwealth Bank, who being duly sworn according to law, deposes and says:

1. That I am counsel of record for Plaintiff in the above referenced action;
2. That service throughout the within action has been achieved on Defendants;
3. That the legal description for the Mortgaged Property contains two parcels;
4. That prior to the final bring-down of a property report there was no indication that the two parcels had separate tax identification numbers;
5. That the Sheriff of Clearfield County has posted and advertised the Mortgaged Property as two parcels with only one tax identification number.
6. That pursuant to 3129.2(d), a notice containing a brief description of the property, its location, any improvements, the judgment of the court on which the sale is being

held, the name of the owner or reputed owner, and the time and place of sale has been published by the Sheriff once a week for three successive weeks in a newspaper of general circulation in said county and in the legal publication, the first publication being made not less than 21 days before the date of sale; and

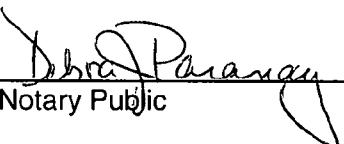
7. That the above information is true and correct to the best of Affiant's knowledge, information and belief.



---

Thomas E. Reiber, Esquire

Sworn to and subscribed before me  
this 15th day of October, 2007.

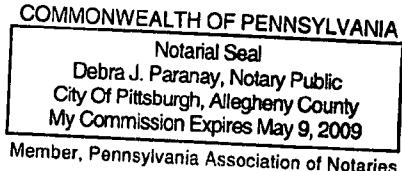


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Debra J. Paranay  
Notary Public

My Commission Expires:

309832.1:BF/#11555-131169



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
)  
Plaintiff, ) No. 07-264-CD  
)  
vs. )  
)  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
)  
Defendants. )

FILED

OCT 22 2007

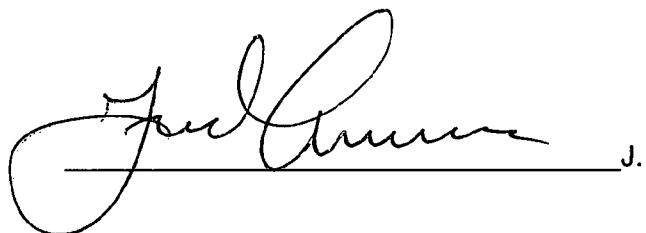
019:50 (W)

William A. Shaw  
Prothonotary/Clerk of Courts

1 CERT TO APET

ORDER OF COURT  
DETERMINING SUFFICIENCY OF SERVICE

AND NOW, this 19<sup>th</sup> day of October, 2007, it is hereby  
ORDERED that Sheriff of Clearfield County shall proceed to sell the Mortgaged Property on  
December 7, 2007 after announcing to those gathered at the sale the two tax parcel  
identification numbers which attach to the two parcels advertised to be sold, and that such  
announcement shall be substantial compliance with Pa. R.C.P. 3129.2 and is deemed sufficient  
notice thereunder to Defendants of the pending Sheriff's execution sale of the Mortgaged  
Property.



J.

309832.1:BF  
11555-131169

**FILED**

OCT 22 2007

William A. Shaw  
Prothonotary/Clerk of Courts

DATE: 10.22.07

You are responsible for serving all appropriate parties.

The Prothonotary's office has provided service to the following parties:

Plaintiff(s) Attorney \_\_\_\_\_ Other \_\_\_\_\_

Plaintiff(s) \_\_\_\_\_ Defendant(s) Attorney \_\_\_\_\_

Defendant(s) \_\_\_\_\_ Defendant(s) Attorney \_\_\_\_\_

Special Instructions:

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
Plaintiff, ) No. 07-264-CD  
vs. )  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
Defendants. )

**SCHEDULING ORDER**

AND NOW, this \_\_\_\_\_, day of \_\_\_\_\_, 2007, the Court  
noting that Plaintiff, First Commonwealth Bank, has filed a Motion to Determine Sufficiency of  
Service of Notice of Sheriff Sale Under Pa. R.C.P. 3129.2 (the "Motion"), it is hereby  
ORDERED:

1. Any response by Defendants to the Motion shall be filed on or by  
\_\_\_\_\_, 2007;
2. Hearing on the Motion shall be held on \_\_\_\_\_, 2007  
at \_\_\_\_\_ \_\_.m. in Courtroom \_\_\_\_\_ before the  
undersigned.

BY THE COURT:

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

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 20627  
NO: 07-264-CD

PLAINTIFF: FIRST COMMONWEALTH BANK  
VS.  
DEFENDANT: STEVEN M. SCAIFE AND BRENDA L. SCAIFE  
Execution REAL ESTATE

**SHERIFF RETURN**

DATE RECEIVED WRIT: 7/25/2007

LEVY TAKEN 8/27/2007 @ 11:13 AM  
POSTED 8/22/2007 @ 11:10 AM  
SALE HELD 12/7/2007  
SOLD TO FIRST COMMONWEALTH BANK  
SOLD FOR AMOUNT \$1.00 PLUS COSTS  
WRIT RETURNED 2/6/2008  
DATE DEED FILED 2/6/2008

**FILED**  
FEB 06 2008  
0 10:30 AM  
William A. Shaw  
Prothonotary/Clerk of Courts  
PP 5-00  
ACK

PROPERTY ADDRESS RR #1, BOX 536, ROUTE 53S A/K/A 1692 WALTON STREET PHILIPSBURG , PA 16866

**SERVICES**

8/29/2007 @ 10:39 AM SERVED STEVEN M. SCAIFE

SERVED STEVEN M. SCAIFE, DEFENDANT, AT HIS RESIDENCE 134 WOOD STREET, PHILIPSBURG, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO STEVEN SCAIFE II, SON OF THE DEFENDANT/ADULT AT RESIDENCE.

A TRUE AND ATTESTED COPY OF THE ORIGINAL WRIT OF EXECUTION, NOTICE OF SALE, AND COPY OF THE LEVY AND BY MAKING KNOW TO HIM / HER THE CONTENTS THEREOF.

8/29/2007 @ 10:39 AM SERVED BRENDA L. SCAIFE

SERVED BRENDA L. SCAIFE, DEFENDANT, AT HER RESIDENCE 134 WOOD STREET, PHILIPSBURG, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO STEVEN SCAIFE II, SON OF THE DEFENDANT/ADULT AT RESIDENCE.

A TRUE AND ATTESTED COPY OF THE ORIGINAL WRIT OF EXECUTION, NOTICE OF SALE, AND COPY OF THE LEVY AND BY MAKING KNOW TO HIM / HER THE CONTENTS THEREOF.

@ SERVED

NOW, OCTOBER 3, 2007 RECEIVED A FAX LETTER FROM THE PLAINTIFF'S ATTORNEY TO CONTINUE THE SHERIFF SALE SCHEDULED FOR OCTOBER 5, 2007 TO DECEMBER 7, 2007.

@ SERVED

NOW, OCTOBER 22, 2007 RECEIVED AN ORDER OF COURT TO PROCEED WITH THE SHERIFF SALE ON DECEMBER 7, 2007 BY ANNOUNCING, AT THE SALE, THE TWO TAX PARCEL IDENTIFICATION NUMBERS WHICH ATTACH TO THE TWO PARCELS ADVERTISED TO BE SOLD.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 20627  
NO: 07-264-CD

PLAINTIFF: FIRST COMMONWEALTH BANK  
vs.  
DEFENDANT: STEVEN M. SCAIFE AND BRENDA L. SACIFE

Execution REAL ESTATE

**SHERIFF RETURN**

---

SHERIFF HAWKINS \$253.19

SURCHARGE \$40.00 PAID BY ATTORNEY

Sworn to Before Me This

\_\_\_\_ Day of \_\_\_\_\_ 2006  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

So Answers,

*Chester A. Hawkins*  
\_\_\_\_\_  
*by Another Butler-Aughenbaugh*  
Chester A. Hawkins  
Sheriff

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

First Commonwealth Bank

Vs.

NO.: 2007-00264-CD

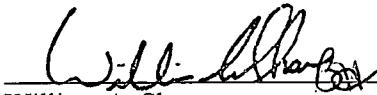
Steven M. Scaife and Brenda L. Scaife

**TO THE SHERIFF OF CLEARFIELD COUNTY:**

To satisfy the judgment, interest and costs in the above matter you are directed to levy upon and sell the following described property:

(1) See Attached Description

AMOUNT DUE/PRINCIPAL:.....	<b>\$298,206.98</b>	PROTH. COSTS PAID:.....	<b>\$125.00</b>
INTEREST FROM: \$		SHERIFF: \$	
ATTY'S COMM: \$		OTHER COSTS: \$	
INTEREST from 05/08/07 through 07/31/07		LATE CHARGES (5% of \$1,590.44/mo.pmt. or	
per diem (\$33.803943) (Note-1):.....	<b>\$2,873.34</b>	\$79.52/mo. May-July, 2007 (Note-1):.....	<b>\$238.56</b>
INTEREST from 05/08/07 through 07/31/07		LATE CHARGES (5% of \$1,452.88/mo. pmt. or	
per diem (\$11.715751) (Note-2):.....	<b>\$995.84</b>	\$72.64/mo. May-July, 2007 (Note-2):.....	<b>\$217.92</b>
DATE: 07/25/2007		FORECLOSURE FEES:.....	<b>\$800.00</b>

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

Received this writ this 25<sup>th</sup> day

of July A.D. 2007

At 3:00 A.M./P.M.

Chester A. Hawkins  
Sheriff by Cynthia Butler - Aughabury

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

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

FIRST COMMONWEALTH BANK,	)	CIVIL DIVISION
	)	
Plaintiff,	)	No. 07-264-CD
	)	
vs.	)	
	)	
STEVEN M. SCAIFE and	)	
BRENDA L. SCAIFE,	)	
	)	
Defendants.	)	

TO THE SHERIFF OF CLEARFIELD COUNTY:

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

**LEGAL DESCRIPTION OF REAL ESTATE**

ALL of those certain lots or tracts of land situate in Decatur Township, Clearfield County, Pennsylvania, bounded and described as follows:

**THE FIRST THEREOF:** BEGINNING at a stake corner said corner being on the Northern right-of-way line of State Highway Route No. 53 leading from Philipsburg to Osceola Mills and on the Eastern side of a 20-foot alley; thence along said alley North Fifty-two degrees Eighteen minutes West (N 52° 18'W) a distance of One Hundred Sixty-one and Forty hundredths (161.40') feet to a stake; thence by land now or formerly of R. J. Real Estate North Forty-six degrees Fifty-three minutes East (N 46° 53' E) a distance of One Hundred Sixty-six and Four hundredths (166.4') to a stake; thence South Twenty-two degrees Thirty-seven minutes East (S 22° 37' E) a distance of One Hundred Ninety-nine (199') feet through land of which this is a part to a stake on the Northern right-of-way line of State Highway Route No. 53; thence South Sixty-seven degrees West (S 67° W) a distance of Eighty-one and Ten hundredths (81.10') feet along the Northern right-of-way of State Highway Route No. 53 to stake and place of beginning.

EXCEPTING AND RESERVING such exceptions and reservations as are contained in prior deeds in the chain of title.

**THE SECOND THEREOF:** BEGINNING at a corner where a private road joins the boundary line of Highway Route No. 53; thence along said highway route in a Westerly direction Two Hundred and sixty-one (261') feet to a post corner and land of Gilpatrick; thence in a Northeasterly direction a distance of Sixty-one (61') feet; thence in a Northerly direction a distance of One Hundred and Ten (110') feet to a corner and line of Klett property; thence in an Easterly direction a distance of One hundred and Sixty-eight (168') feet to a post corner on line of private road; thence along said private road a distance of Two Hundred and Fifty (250') feet to line of Route 53 and place of beginning.

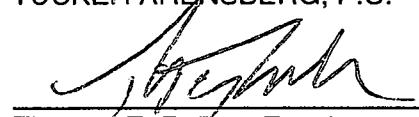
EXCEPTING AND RESERVING from all the herein described premises that parcel or piece of land as was conveyed unto Steven M. Scaife and Brenda L. Scaife, his wife, by deed of Richard H. Scaife, et ux dated October 20, 1987, and entered for record in the Office of the Recorder of

Deeds of Clearfield County, Pennsylvania, in Deeds and Records Volume 1190, page 264, on October 29, 1987.

BEING the same property granted and conveyed unto Steven M. Scaife and Brenda L. Scaife, husband and wife, by Deed of Mark Scaife and Mary Scaife, husband and wife, dated April 30, 2004, and recorded in the Office of the Recorder of Deeds of Clearfield County, Pennsylvania on April 30, 2004 at Instrument No. 200406697.

CLEARFIELD COUNTY TAX PARCEL I.D. NO. 112-P12-692-56.

TUCKER ARENSBERG, P.C.



---

Thomas E. Reiber, Esquire  
Michael J. Stauber, Esquire  
Attorneys for First Commonwealth Bank, Plaintiff

304011.1:BF/#11555-131169

**REAL ESTATE SALE  
SCHEDULE OF DISTRIBUTION**

NAME STEVEN M. SCAIFE

NO. 07-264-CD

NOW, February 06, 2008, 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 December 07, 2007, I exposed the within described real estate of Steven M. Scaife And Brenda L. Sacife to public venue or outcry at which time and place I sold the same to FIRST COMMONWEALTH BANK he/she being the highest bidder, for the sum of \$1.00 plus costs and made the following appropriations, viz:

**SHERIFF COSTS:**

RDR	15.00
SERVICE	15.00
MILEAGE	15.52
LEVY	15.00
MILEAGE	15.52
POSTING	15.00
CSDS	10.00
COMMISSION	0.00
POSTAGE	6.15
HANDBILLS	15.00
DISTRIBUTION	25.00
ADVERTISING	15.00
ADD'L SERVICE	15.00
DEED	30.00
ADD'L POSTING	
ADD'L MILEAGE	
ADD'L LEVY	
BID AMOUNT	1.00
RETURNS/DEPUTIZE	
COPIES	15.00
	5.00
BILLING/PHONE/FAX	5.00
CONTINUED SALES	20.00
MISCELLANEOUS	
<b>TOTAL SHERIFF COSTS</b>	<b>\$253.19</b>

**DEED COSTS:**

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

**PLAINTIFF COSTS, DEBT AND INTEREST:**

DEBT-AMOUNT DUE	298,206.98
INTEREST @ %	0.00
FROM TO 12/07/2007	
PROTH SATISFACTION	
LATE CHARGES AND FEES	456.48
COST OF SUIT-TO BE ADDED	
FORECLOSURE FEES	800.00
ATTORNEY COMMISSION	
REFUND OF ADVANCE	
REFUND OF SURCHARGE	40.00
SATISFACTION FEE	
ESCROW DEFICIENCY	
PROPERTY INSPECTIONS	
INTEREST	3,869.18
MISCELLANEOUS	
<b>TOTAL DEBT AND INTEREST</b>	<b>\$303,372.64</b>
<b>COSTS:</b>	
ADVERTISING	240.82
TAXES - COLLECTOR	
TAXES - TAX CLAIM	12,549.53
DUE	
LIEN SEARCH	200.00
ACKNOWLEDGEMENT	5.00
DEED COSTS	28.50
SHERIFF COSTS	253.19
LEGAL JOURNAL COSTS	144.00
PROTHONOTARY	125.00
MORTGAGE SEARCH	80.00
MUNICIPAL LIEN	
<b>TOTAL COSTS</b>	<b>\$13,626.04</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



Debra J. Paranay 412.594.5554  
Paralegal  
dparanay@tuckerlaw.com

October 3, 2007

VIA FACSIMILE  
(814) 765-5915

Office of the Sheriff  
Clearfield County  
Attention: Cindy  
1 North Second Street, Suite 116  
Clearfield, PA 16830

Re: First Commonwealth Bank vs.  
Steven M. Scaife and Brenda L. Scaife  
No. 07-264-CD; Sheriff Sale October 5, 2007

Dear Sheriff:

This office represents First Commonwealth Bank, the plaintiff in the above foreclosure action. As we discussed this morning, we are requesting that the above captioned sale be continued until the December 7, 2007 sale date. Please announce this postponement to those assembled at the time and place scheduled for the October 5, 2007 sale.

Thank you for your assistance in this matter. If you have any questions or need anything further from this office, please do not hesitate to call me at the direct dial number above.

Very truly yours,

TUCKER ARENSBERG, P.C.

Handwritten signature of Debbie Paranay.

Debbie Paranay  
Paralegal

:djp

Enclosures

pc: Mr. Gary R. Carpenter  
Mr. Terry Henry  
Thomas E. Reiber, Esquire

309094.1:BF  
11555-131169

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

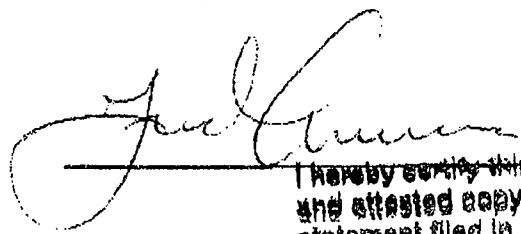
FIRST COMMONWEALTH BANK, ) CIVIL DIVISION  
Plaintiff, ) No. 07-264-CD  
vs. )  
STEVEN M. SCAIFE and )  
BRENDA L. SCAIFE, )  
Defendants. )

**FILED**

OCT 22 2007

William A. Shaw  
Prothonotary/Clerk of Courts**ORDER OF COURT**  
**DETERMINING SUFFICIENCY OF SERVICE**

AND NOW, this 19<sup>th</sup> day of October, 2007, it is hereby  
ORDERED that Sheriff of Clearfield County shall proceed to sell the Mortgaged Property on  
December 7, 2007 after announcing to those gathered at the sale the two tax parcel  
identification numbers which attach to the two parcels advertised to be sold, and that such  
announcement shall be substantial compliance with Pa. R.C.P. 3129.2 and is deemed sufficient  
notice thereunder to Defendants of the pending Sheriff's execution sale of the Mortgaged  
Property.

  
I hereby certify this to be a true  
and attested copy of the original  
statement filed in this case.309832.1:BF  
11555-131169

OCT 22 2007

Attest:

  
William A. Shaw  
Prothonotary/  
Clerk of Courts