

07-268-CD
Clfd B&T vs Chris E. Evans

Clfd B&T vs Chris E Evans
2007-268-CD

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

CLEARFIELD BANK AND TRUST
COMPANY,

Plaintiff

vs

CHRIS E. EVANS,

No. 07-268-CD

FILED
M 11:00 AM
FEB 21 2007
S
William A. Shaw
Prothonotary/Clerk of Courts
Atty pd. 85.00
CC Sheriff

Defendant

Counsel of Record for this Party:
BABST, CALLAND, CLEMENTS AND
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Supreme Court # 36893
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State College, PA 16803
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NOTICE TO DEFEND

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

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

Court Administrator
Clearfield County Courthouse
Clearfield, PA 16830
(814) 765.2641

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

CLEARFIELD BANK AND TRUST
COMPANY,

No.

Plaintiff

vs.

CHRIS E. EVANS,

Defendant

Type of Pleading: COMPLAINT

Filed on Behalf of: Plaintiff

Counsel of Record for this Party:
BABST, CALLAND, CLEMENTS AND
ZOMNIR, PC.
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328 Innovation Boulevard, Suite 200
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COMPLAINT

NOW COMES, the Plaintiff, Clearfield Bank & Trust Company, by and through its attorneys, Babst, Calland, Clements and Zomnir, PC., and files the within Complaint whereof the following is a statement:

1. The Plaintiff is CLEARFIELD BANK & TRUST COMPANY, a corporation, with a principal place of business of 11 North Second Street, P.O. Box 171 Clearfield, Pennsylvania 16830.
2. The Defendant is CHRIS E. EVANS, with a mailing address of 121 High Street, Clearfield, Pennsylvania 16830 and property addresses of 10 North Second Street, Clearfield, Pennsylvania and 121 High Street, Clearfield, Pennsylvania 16830.

3. The Plaintiff brings this action to foreclose on a Mortgage by and between the Plaintiff and the Defendant dated June 18, 2004, in the principal amount of \$132,500.00. A copy of the said Mortgage is attached hereto and made a part hereof, marked as Exhibit "A" and is recorded at Clearfield County Instrument Number 200409802 on June 18, 2004.

4. The said Mortgage is and contains a lien against certain tracts of land situate in the First Ward and Fourth Ward of Clearfield Borough, Clearfield County, Pennsylvania, the legal descriptions are more fully described in the attached Exhibit "B".

5. Pursuant to the terms of the said Mortgage, the Plaintiff advanced to the Defendant the sum of \$132,500.00 as set forth in Promissory Note dated June 18, 2004. A true and correct copy of the said Note is attached hereto marked Exhibit "C".

6. The Defendant defaulted under the terms of the said loan by failing to make the monthly payment due and subsequent monthly installments due.

7. The Plaintiff has given the Defendant written Notice of Intention to Foreclose on the said Mortgage as well as the written Notice of Homeowners Emergency Assistance Act of 1983, both dated October 18, 2006. A true and correct copy of the same is attached hereto and made a part hereof and marked as Exhibit "D".

8. That to the best of the knowledge, information and belief of the Plaintiff, the Defendant has not availed himself under the pertinent provisions of the Homeowners' Emergency Assistance Act.

OPEN-END MORTGAGE

This Mortgage secures future advances

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is JUNE 18, 2004 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: CHRIS E EVANS121 HIGH STCLEARFIELD PA 16830-2371

If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER: CLEARFIELD BANK & TRUST COMPANYN. 2ND & BRIDGE STREETSCLEARFIELD, PA 16830

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:

10 N. SECOND STREET, CLEARFIELD PA 16830 AND 121 HIGH STREET, CLEARFIELD PA 16830
 (SEE ATTACHED)

The property is located in CLEARFIELD at

121 HIGH STREET (County) CLEARFIELD PENNSYLVANIA 16830
10 N. SECOND STREET, CLEARFIELD, Pennsylvania 16830
 (Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, all water and riparian rights, wells, ditches, reservoirs, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 132,500.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

4. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:

A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)


 EXHIBIT

- B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt existing now or executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Mortgagor owes to Lender, which now exist or may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

- 5. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
- 6. **WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell, and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.
- 7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
 - A. To make all payments when due and to perform or comply with all covenants.
 - B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
 - C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
- 8. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.
- 9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
- 10. **TRANSFER OF AN INTEREST IN THE MORTGAGOR.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if:
 - A. A beneficial interest in Mortgagor is sold or transferred.
 - B. There is a change in either the identity or number of members of a partnership or similar entity.
 - C. There is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity.
 However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.
- 11. **ENTITY WARRANTIES AND REPRESENTATIONS.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall continue as long as the Secured Debt remains outstanding:

Exhibit A

TRACT 1

ALL that certain piece or parcel of land, situate in the First Ward of Clearfield Borough, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEING a part of the lot known in the town plot of the Borough of Clearfield as Lot No. 50 bounded on the South by Bigler's (now or formerly Rudd's) part of said lot; on the West by a part of the said Lot No. 50; on the North by Lot No. 49 and on the East by Second Street. Being the northeast corner of Lot No. 50 in the town plot of the Borough of Clearfield, containing a frontage on Second Street of twenty-four (24) feet and extending in depth fifty-one (51) feet.

THE SECOND THEREOF: BEGINNING at the Southeast corner now or formerly of William A. Wallace (now or formerly Beausaigneur) part of Lot No. 50 on Second Street; thence by Second Street southward twenty (20) feet and four (4) inches to lot now or formerly known as the Dimeling Hotel property; thence by same Westward fifty-one (51) feet to a post; thence by residue of Lot No. 50 Northward twenty (20) feet and four (4) inches to line now or formerly of William A. Wallace (now or formerly Beausaigneur) part of Lot No. 50; thence Eastward fifty-one (51) feet by same, to corner and Second Street and place of beginning. Being part of Lot No. 50 in the Plan of the Borough of Clearfield.

Said plot being recorded in Clearfield County Misc. Book N, page 337.

TRACT 2

ALL that certain piece or parcel of land situate in the Fourth Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a point on High Street which is the division line between property herein described and property now or formerly of Samuel C. Studebaker and Cecile T. Studebaker; thence along said property North 79 degrees 45 minutes West fifty-nine (59.0) feet to a point; thence continuing along line of Studebakers property North 12 degrees 32 minutes East one hundred five and two tenths (105.2) feet to a point on a twelve foot alley; thence continuing along said alley South 83 degrees 26 minutes East seventy-four (74.0) feet to a point on High Street; thence along High Street South 19 degrees 15 minutes West one hundred twenty-one (121.0) feet to a point and place of beginning.

- A. Mortgagor is duly organized and validly existing in Mortgagor's state of incorporation or organization. Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.
- B. The execution, delivery and performance of this Security Instrument by Mortgagor and the obligations evidenced by the Secured Debt are within the power of Mortgagor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.
- C. Other than previously disclosed in writing to Lender, Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

12. PROPERTY CONDITION, ALTERATIONS AND INSPECTION. Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

13. AUTHORITY TO PERFORM. If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

14. ASSIGNMENT OF LEASES AND RENTS. Mortgagor grants, bargains, and conveys to Lender as additional security all the right, title and interest in and to any and all:

- A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of any portion of the Property, including any extensions, renewals, modifications or substitutions of such agreements (all referred to as "Leases").
- B. Rents, issues and profits (all referred to as "Rents"), including but not limited to security deposits, minimum rent, percentage rent, additional rent, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property.

In the event any item listed as Leases or Rents is determined to be personal property, this Security Instrument will also be regarded as a security agreement.

Mortgagor will promptly provide Lender with true and correct copies of all existing and future Leases. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Except for one lease period's rent, Mortgagor will not collect in advance any future Rents without Lender's prior written consent. Upon default, Mortgagor will receive Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. Amounts collected shall be applied at Lender's discretion to payments on the Secured Debt as therein provided, to costs of managing, protecting and preserving the Property and to any other necessary related expenses including Lender's attorneys' fees and court costs.

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Mortgagor agrees that this assignment is immediately effective between the parties to this Security Instrument and effective as to third parties on the recording of this Security Instrument, and this assignment will remain effective until the Obligations are satisfied. Mortgagor agrees that Lender is entitled to notify Mortgagor or Mortgagor's tenants to make payments of Rents due or to become due directly to Lender after such recording, however Lender agrees not to notify Mortgagor's tenants until Mortgagor defaults and Lender notifies Mortgagor of the default and demands that Mortgagor and Mortgagor's tenants pay all Rents due or to become due directly to Lender. On receiving the notice of default, Mortgagor will endorse and deliver to Lender any payments of Rents.

Mortgagor warrants that no default exists under the Leases or any applicable landlord law. Mortgagor also agrees to maintain, and to require the tenants to comply with, the Leases and any applicable law. Mortgagor will promptly notify Lender of any noncompliance. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance. Mortgagor will obtain Lender's written authorization before Mortgagor consents to sublet, modify, cancel, or otherwise alter the Leases, to accept the surrender of the Property covered by such Leases (unless the Leases so require), or to assign, compromise or encumber the Leases or any future Rents. If Lender acts to manage, protect and preserve the Property, Lender does not assume or become liable for its maintenance, depreciation, or other losses or damages, except those due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will hold Lender harmless and indemnify Lender for any and all liability, loss or damage that Lender may incur as a consequence of the assignment under this section.

15. LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS. Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

16. DEFAULT. Mortgagor will be in default if any of the following occur:

- A. Any party obligated on the Secured Debt fails to make payment when due;
- B. A breach of any term or covenant in this Security Instrument or any other document executed for the purpose of creating, securing or guarantying the Secured Debt;
- C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
- D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any other person or entity obligated on the Secured Debt;
- E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
- F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
- G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

17. REMEDIES ON DEFAULT. In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

18. EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS. Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the

payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.

19. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.
- D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.
- E. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.
- F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.
- G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.
- H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.
- I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.
- J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.
- K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Security Instrument without prejudice to any of Lender's rights under this Security Instrument.

L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

20. CONDEMNATION. Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

21. INSURANCE. Mortgagor agrees to maintain insurance as follows:

A. Mortgagor shall keep the Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.

C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

22. ESCROW FOR TAXES AND INSURANCE. Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

23. FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS. Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.

24. JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND. All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.

25. APPLICABLE LAW; SEVERABILITY; INTERPRETATION. This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.

26. NOTICE. Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.

27. WAIVERS. Except to the extent prohibited by law, Mortgagor waives any right to appraisal relating to the Property.

28. WAIVER OF JURY TRIAL. To the extent not prohibited by law, Mortgagor and Lender knowingly and intentionally waive the right, which the party may have, to a trial by jury with respect to any litigation arising from the Secured Debt, or any other agreement executed in conjunction with the Evidence of Debt and this Mortgage. Mortgagor and Lender each acknowledge that this section has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.

29. U.C.C. PROVISIONS. If checked, the following are applicable to, but do not limit, this Security Instrument:

- Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
- Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property.
- Crops; Timber; Minerals; Rents, Issues, and Profits.** Mortgagor grants to Lender a security interest in all crops, timber, and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").
- Personal Property.** Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property, including all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property (all of which shall also be included in the term "Property"). The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.
- Filing As Financing Statement.** Mortgagor agrees and acknowledges that this Security Instrument also suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.

30. OTHER TERMS. If checked, the following are applicable to this Security Instrument:

- Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
- Agricultural Property.** Mortgagor covenants and warrants that the Property will be used principally for agricultural or farming purposes and that Mortgagor is an individual or entity allowed to own agricultural land as specified by law.
- Purchase Money.** This Security Instrument secures advances by Lender used in whole or in part to acquire the Property. Accordingly, this Security Instrument, and the lien hereunder, is and shall be construed as a purchase money mortgage with all of the rights, priorities and benefits thereof under the laws of the Commonwealth of Pennsylvania.

Additional Terms.

SIGNATURES: By signing below, Mortgagor, intending to be legally bound hereby, agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Entity Name:

Chris E Evans
(Signature) CHRIS E EVANS

6/18/04
(Date)

Entity Name:

.....
(Signature)
(Date)

.....
(Witness)

.....
(Witness)

.....
(Signature)

.....
(Date)

.....
(Signature)
(Date)

.....
(Witness)

.....
(Witness)

ACKNOWLEDGMENT:

(Individual) COMMONWEALTH OF Pennsylvania, COUNTY OF Clearfield, } ss.
On this, the 18th day of June 2004, before me Carl A. Lias,
the undersigned officer, personally appeared

..... *Chris E Evans*, known to me (or satisfactorily proven) to be the person(s)
whose name(s) is subscribed to the within instrument, and acknowledged that he/she executed the same for the
purposes therein contained.

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

My commission expires:

(Seal)

NOTARIAL SEAL
CARL A. LIAS, NOTARY PUBLIC
CITY OF DuBOIS, CLEARFIELD COUNTY
MY COMMISSION EXPIRES MARCH 31, 2007

Carl A. Lias
Title of Officer

(Business or Entity Acknowledgment) COMMONWEALTH OF COUNTY OF
On this, the day of before me
the undersigned officer, personally appeared

....., who acknowledged himself/herself to be the
..... of

....., and that he/she as such
being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the
name of the by as

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

My commission expires:

(Seal)

.....
Title of Officer

It is hereby certified that the address of the Lender within named is:
..... **CLEARFIELD BANK AND TRUST COMPANY, 11 N SECOND ST, CLEARFIELD PA 16830**

Herbert J. Wilson
HERBERT J. WILSON
ASST VICE PRESIDENT

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 - 200409802
Recorded On 6/18/2004 At 10:48:49 AM

ABSOLUTE SETTLEMENT CO
900 A BEAVER DRIVE
DUBOIS, PA 15801

* Instrument Type - MORTGAGE
* Total Pages - 10
Invoice Number - 112746
* Mortgagor - EVANS, CHRIS E
* Mortgagee - CLEARFIELD BANK AND TRUST CO
* Customer - ABSOLUTE SETTLEMENT CO

*** FEES**

STATE WRIT TAX	\$0.50
JCS/ACCESS TO JUSTICE	\$10.00
RECORDING FEES -	\$23.00
RECORDER	
RECORDER IMPROVEMENT	\$3.00
FUND	
COUNTY IMPROVEMENT FUND	\$2.00
TOTAL	\$38.50

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

This Deed

MADE the 16th day of JUNE, in the year Two Thousand Four (2004)

BETWEEN **INDIRA R. PATEL**, a single adult individual, of 1208 Old Town Road, Clearfield, Clearfield County, Pennsylvania 16830, party of the first part, hereinafter referred to as the GRANTOR,

A N D

CHRIS E. EVANS, an adult individual, of 121 High Street, Clearfield, Clearfield County, Pennsylvania 16830, party of the second part, hereinafter referred to as the GRANTEE,

WITNESSETH, That in consideration of **One Hundred Forty Thousand and**

00/100 (\$140,000.00) Dollars, in hand paid, the receipt whereof is hereby acknowledged, the said grantor does hereby grant and convey to the said grantee, his heirs, successors and assigns,

ALL that certain piece or parcel of land, together with all improvements thereon, situate in the First Ward of Clearfield Borough, Clearfield County, Pennsylvania, bounded and described as follows: Said Plot being Recorded in Clearfield County Misc. Book N, page 337.

THE FIRST THEREOF: BEING a part of the lot known in the town plot of the Borough of Clearfield as Lot No. 50 bounded on the South by Bigler's (now or formerly Rudd's) part of said lot; on the West by a part of the said Lot No. 50; on the North by Lot No. 49 and on the East by Second Street. Being the northeast corner of Lot No. 50 in the town plot of the Borough of Clearfield, containing a frontage on Second Street of twenty-four (24) feet and extending in depth fifty-one (51) feet and having erected thereon one-half (1/2) of the three-story brick building, the first floor thereof being now or formerly rented to the Singer Sewing Machine Company.

THE SECOND THEREOF: BEGINNING at the Southeast corner now or formerly of William A. Wallace (now or formerly Beauseigneur) part of Lot No. 50 on Second Street; thence by Second Street southward twenty (20) feet and four (4) inches to lot now or formerly known as the Dimeling Hotel property; thence by same Westward fifty-one (51) feet to a post; thence by residue of Lot No. 50 Northward twenty (20) feet and four (4) inches to line now or formerly of William A. Wallace



The said Grantor will **SPECIALLY WARRANT** the property hereby conveyed.

IN WITNESS WHEREOF, said grantor has hereunto set her hand and seal, the day and year
first above-written.

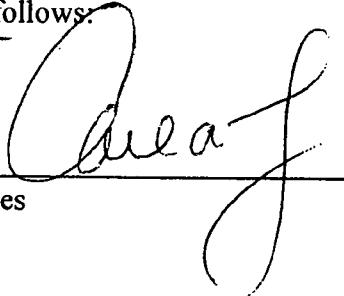
Sealed and delivered in
the presence of:

INDIRA R. PATEL
INDIRA R. PATEL

CERTIFICATE OF RESIDENCE

I hereby certify that the precise residence of the grantees herein is as follows:

10 North Second Street
Clearfield, PA 16830


Agent for Grantees

COMMONWEALTH OF PENNSYLVANIA :

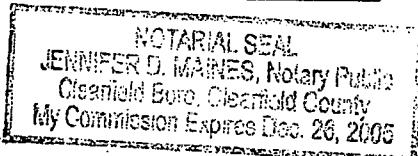
COUNTY OF CLEARFIELD :

On this, the 16th day of JUNE, 2004, before me, the undersigned officer, a Notary Public, personally appeared **INDIRA R. PATEL**, a single adult individual, known to me, or satisfactorily proven, to be the person whose name is subscribed to the within instrument, and acknowledged that she executed the same for the purpose therein contained.

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

My Commission Expires: _____

JENNIFER D. MAINES
Notary Public



KAREN L. STARK
REGISTER AND RECORDER
CLEARFIELD COUNTY
Pennsylvania

814 765 1988

F. 02/07

INSTRUMENT NUMBER
199920556
SEARCHED
INDEXED
FILED
RECORDED
COUNTY RECORDMENT \$1.00
RECORDED
STATE RECORD FEE \$1.00
STATE TRANSFER TAX \$450.00
STATE MFT TAX \$0.50
CLEARFIELD TOWNSHIP \$225.00
CLEARFIELD MSA \$15.00
TOTAL \$615.00

T. Dineen

THIS DEED

MADE the 14th day of December, in the year nineteen hundred and
ninety-nine (1999) **BETWEEN** KENNETH E. CONWAY, a single adult individual, of 121 High
Street, Clearfield, Clearfield County, Pennsylvania, party of the first part, hereinafter referred to as
the GRANTOR,

A N D

CHRIS E. EVANS and MARY K. EVANS, husband and wife, as tenants by the entireties, of
Clearfield, Clearfield County, Pennsylvania, parties of the second part, hereinafter referred to as the
GRANTEEs,

WITNESSETH, That in consideration of Forty-five Thousand and 00/100 (\$45,000.00) Dollars,
in hand paid, the receipt whereof is hereby acknowledged, the said grantor does hereby grant and
convey to the said grantees, their heirs, successors and assigns, as tenants by the entireties,

ALL that certain piece or parcel of land situate in the Fourth Ward of the Borough of Clearfield,
Clearfield County, Pennsylvania, bounded and described as follows:

BEGINNING at a point on High Street which is the division line between property herein conveyed
and property now or formerly of Samuel C. Studebaker and Cecile T. Studebaker; thence along said
property North 79 degrees 45 minutes West fifty-nine (59.0) feet to a point; thence continuing
along line of Studebaker property North 12 degrees 32 minutes East one hundred five and two
tenths (105.2) feet to a point on a twelve foot alley; thence continuing along said alley South 83
degrees 26 minutes East seventy-four (74.0) feet to a point on High Street; thence along High
Street South 19 degrees 15 minutes West one hundred twenty-one (121.0) feet to a point and place
of beginning.

Being identified in the Clearfield County Mapping and Assessment Office as Map No. 4-4-KB-220-65.

BEING the same premises as was conveyed to Kenneth E. Conway by Deed of Kenneth E. Conway, et al, dated May 4, 1992 and entered for record in the Recorder's Office of Clearfield County in Deeds & Records Book Volume 1458, Page 61.

TOGETHER with, all and singular, the ways, waters, water courses, rights, liberties, privileges, hereditaments and appurtenances whatsoever thereunto belonging, or in anywise appertaining, and the reversions and remainders, rents, issues and profits thereof; and also all the estate, right, title, interest, use, trust, property, possession, claim and demand whatsoever of Grantors in law, equity, or otherwise, howsoever, of, in, to, or out of the same.

TO HAVE AND TO HOLD the same together with all and singular, the said Grantors' hereditaments and premises hereby granted and released, or mentioned and intended so to be, with the appurtenances, unto the said Grantees, their heirs, successors and assigns, to and for the only proper use and behoof of the said Grantees and assigns, forever.

PROPERTY REPORT

LIEN SEARCH REQUESTED BY Lain KUCC SEARCH DATE 2/16/07NAME Evans, Chris EDEED BOOK VOL WIFE PAGE NUMBER 200409801ADDRESS 10 N 2nd St

4-1-K8-216-23 / Bldg 5 Part F*50

ClearfieldTOWNSHIP Lat. Ward

MORTGAGES:

#200409802 Clifl Bank & Trust 6118104 P 132,500 6118104JUDGMENTS: NoneUCC'S: NoneTAXES: 2006 \$ 2396.32 due

Daphne Z. Shaffer 765-3869

Right 100%DATE 2/16/074-1-11481

CHRIS E EVANS 121 HIGH ST CLEARFIELD PA 16830-2371 BORROWER'S NAME AND ADDRESS "I" includes each borrower above, joint and severally.	CLEARFIELD BANK & TRUST COMPANY N. 2ND & BRIDGE STREETS CLEARFIELD, PA 16830 LENDER'S NAME AND ADDRESS "You" means the lender, its successors and assigns.	Loan Number 988421 Date 06/18/04 Maturity Date 06/18/24 Loan Amount \$ 132,500.00 Renewal Of _____
---	--	--

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of
One hundred thirty two thousand five hundred & no/100 Dollars \$ **132,500.00**

Single Advance: I will receive all of this principal sum on **06/18/04**. No additional advances are contemplated under this note.

Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On _____ I will receive the amount of \$ _____ and future principal advances are contemplated.

Conditions: The conditions for future advances are _____

Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on _____.

Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

INTEREST: I agree to pay interest on the outstanding principal balance from **JUNE 18, 2004** at the rate of **7.0000 %** per year until **JUNE 18, 2009**.

Variable Rate: This rate may then change as stated below.

Index Rate: The future rate will be **1.500% Above** the following index rate:
CLEARFIELD BANK AND TRUST COMPANY BASE RATE

No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.

Frequency and Timing: The rate on this note may change as often as **Daily**. A change in the interest rate will take effect **Daily**.

Limitations: During the term of this loan, the applicable annual interest rate will not be more than **N/A** % or less than **N/A** %. The rate may not change more than **N/A** % each **N/A**.

Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:

The amount of each scheduled payment will change. The amount of the final payment will change.

ACCRUAL METHOD: Interest will be calculated on a **365/360** basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

on the same fixed or variable rate basis in effect before maturity (as indicated above).
 at a rate equal to _____.

LATE CHARGE: If a payment is made more than **15** days after it is due, I agree to pay a late charge of **5% OF THE PAYMENT, WITH A \$20.00 MINIMUM CHARGE**

RETURNED CHECK CHARGE: I agree to pay a fee of \$ _____ for each check, negotiable order of withdrawal or draft I issue in connection with this loan that is returned because it has been dishonored.

ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which are are not included in the principal amount above: **APPRAISAL, DOC FEE, CRT RPT, FLOOD RPT, \$1,300.00**

PAYMENTS: I agree to pay this note as follows:

Interest: I agree to pay accrued interest **On Demand, But If No Demand Is Made**

Principal: I agree to pay the principal **On Demand, But If No Demand Is Made**

Installments: I agree to pay this note in **60** payments. The first payment will be in the amount of \$ **1,035.38** and will be due **JULY 18, 2004**. A payment of \$ **1,035.38** will be due **Monthly** thereafter. The final payment of the entire unpaid balance of principal and interest will be due **according to the additional terms below**.

WARRANT OF AUTHORITY TO CONFESSION JUDGMENT. Upon default, in addition to all other remedies and rights available to you, by signing below Borrower irrevocably authorizes the probate, clerk, or any attorney to appear in any court of record having jurisdiction over this matter and to confess judgment against me at any time without stay of execution. I waive notice, service of process and process. I agree and understand that judgment may be confessed against me for any unpaid principal, accrued interest and accrued charges due on this note, plus collection costs and reasonable attorneys' fees up to 15 percent of the judgment. The exercise of the power to confess judgment will not exhaust this warrant of authority to confess judgment and may be done as often as you elect. I further understand that my property may be seized without prior notice to satisfy the debt owed. I knowingly, intentionally and voluntarily waive any and all constitutional rights I have to pre-deprivation notice and hearing under federal and state laws and fully understand the consequences of this waiver.

CCE

ADDITIONAL TERMS: AFTER THE INITIAL 5 YEAR TERM, MONTHLY PRINCIPAL & INTEREST PAYMENTS WILL BE DUE THAT WILL AMORTIZE THE REMAINING LOAN BALANCE OVER THE REMAINING 15 YEARS TERM. INTEREST WILL ACCRUE BASED UPON THE VARIABLE RATE DISCLOSED ABOVE.

PURPOSE: The purpose of this loan is **PURCHASE OSSR NEWS STAND INC.**

SECURITY: This note is separately secured by (describe separate document by type and date):
MORTGAGE DATED 06/18/04

(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

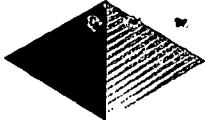
Signature for Lender

Herbert J. Wilson
HERBERT J. WILSON
ASST VICE PRESIDENT

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

Chris E Evans
CHRIS E EVANS

EXHIBIT



MAIN OFFICE 11 N. Second Street PO Box 171 Clearfield, PA 16830 T (814) 765-7551 F (814) 765-2943

**CLEARFIELD BANK
&
TRUST COMPANY**

NOTICE OF INTENTION TO FORECLOSE MORTGAGE

Mortgage dated: June 18, 2004

Mortgagor(s): Chris E. Evans

Mortgagee: Clearfield Bank & Trust Company

Recorded: Instrument # 200409802

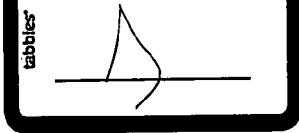
Property(s) included in mortgage: 10 North Second St., Clearfield, PA 16830

The above described mortgage held by Clearfield Bank & Trust Company (Hereafter we, us or ours) is in serious default because you have not made the principal and interest payments of \$1,035.38 for August and September of 2006. Late (and other charges) have also accrued to this date in the amount of \$103.54. The total amount now required to cure this default is \$2,174.30.

You may cure this default within thirty (30) days of the date of the mailing of this notice to you, which we hereby certify has been mailed this 18th day of October, 2006 by paying to us the above amount of \$2,174.30 plus any additional monthly payments and late charges which may fall during this period. Such payment must be made either by cash, cashier's check, certified check or money order and made at Clearfield Bank & Trust Co. - Main Office. If you do not cure the default within said thirty (30) days, we intend to exercise our right to accelerate the mortgage payments, foreclosure by a judicial proceeding and sell the mortgaged property(s).

If you have not cured the default within the said thirty (30) day period and we accelerate the balance due and/or commence foreclosure proceedings, you still have the right to cure the default and prevent the sale at any time up to one hour before the commencement of bidding at a sheriff's sale or other sale pursuant to the mortgage if: (a) you pay all sums which would be then due under the mortgage, the note and note securing future advances, if any, had no acceleration occurred; (b) you cure all breaches of any other covenants or agreements contained in the mortgage; (c) you pay all reasonable expenses incurred by us enforcing our remedies as provided in the mortgage, including, but not limited to reasonable attorney's fees; and (d) you take such action as we may reasonably require to assure that the lien of the mortgage, our interest in the property(s) and your obligation to pay the sum secured by the mortgage shall continue unimpaired. Upon such payment and cure by you, the mortgage and the obligation secured thereby shall remain in full force and effect as if no acceleration occurred.

EXHIBIT



SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Chris E. Evans
121 High Street
Clearfield, PA 16830

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

X *Chris Evans*

Agent
 Addressee

B. Received by (Printed Name)

V *Chris Evans*

C. Date of Delivery**D. Is delivery address different from item 1? Yes**

If YES, enter delivery address below: No

3. Service Type

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

4. Restricted Delivery? (Extra Fee) Yes**2. Article Number**

7006 0100 0003 4232 8086

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:

Chris E. Evans
121 High Street
Clearfield, PA 16830

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

X *Chris Evans*

Agent
 Addressee

B. Received by (Printed Name)

V *Chris Evans*

C. Date of Delivery

V *01/21/00*

D. Is delivery address different from item 1? Yes

If YES, enter delivery address below: No

3. Service Type

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

4. Restricted Delivery? (Extra Fee) Yes**2. Article Number**

7006 0100 0003 4232 8079

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

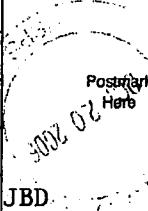
U.S. Postal Service™**CERTIFIED MAIL™ RECEIPT***(Domestic Mail Only; No Insurance Coverage Provided)*For delivery information visit our website at www.usps.com**OFFICIAL USE**

Postage \$

Certified Fee

Return Receipt Fee
(Endorsement Required)Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees

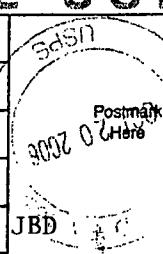
Postmark
HereSent To
Chris E. EvansStreet, Apt. No.:
or PO Box No. 121 High Street
City, State, ZIP+4**U.S. Postal Service™****CERTIFIED MAIL™ RECEIPT***(Domestic Mail Only; No Insurance Coverage Provided)*For delivery information visit our website at www.usps.com**OFFICIAL USE**

Postage \$

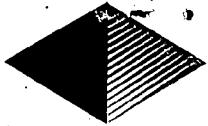
Certified Fee

Return Receipt Fee
(Endorsement Required)Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees

Postmark
Here

Sent To
Chris E. Evans
Street, Apt. No.:
or PO Box No. 121 High Street
City, State, ZIP+4



MAIN OFFICE 11 N. Second Street PO Box 171 Clearfield, PA 16830 T (814) 765-7551 F (814) 765-2943

**CLEARFIELD BANK
&
TRUST COMPANY**

ACT 91 NOTICE

TAKE ACTION TO SAVE YOUR HOME FROM FORECLOSURE*

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

The HOMEOWNER'S MORTGAGE ASSISTANCE PROGRAM (HEMAP) MAY BE ABLE TO HELP TO SAVE YOUR HOME.

This Notice explains how the program works.

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

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

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

LA NOTIFICACION EN ADJUNTO ES DE SUMA IMPORTANCIA, PUES AFECTA SU DERECHO A CONTINUAR VIVIENDO EN SU CASA. SI NO COMPRENDE EL CONTENIDO DE ESTA NOTIFICACION OBTENGA UNA TRADUCCION INMEDIATAMENTE LLAMANDO ESTA AGENCIA (PENNSYLVANIA HOUSING FINANCE AGENCY) SIN CARGOS AL NUMERO MENCIONADO ARRIBA. PUEDES SER ELEGIBLE PARA UN PRESTAMO POR EL PROGRAMA LLAMADO "HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE PROGRAM" EL CUAL PUEDE SALVAR SU CASA DE LA PERDIDA DEL DERECHO A REDIMIR SU HIPOTECA.

HOMEOWNER'S NAME(S):	<u>Chris E. Evans</u>
MAILING ADDRESS:	<u>121 High Street</u> <u>Clearfield, PA 16830</u>
ACCT. NO.:	<u>988421</u>
ORIGINAL LENDER:	<u>Clearfield Bank & Trust Company</u>
CURRENT LENDER/SERVICER:	<u>Clearfield Bank & Trust Company</u>
DATE:	<u>October 18, 2006</u>

HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE PROGRAM

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

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

- * IF YOUR DEFAULT HAS BEEN CAUSED BY CIRCUMSTANCES BEYOND YOUR CONTROL,**
- * IF YOU HAVE A REASONABLE PROSPECT OF BEING ABLE TO PAY YOUR MORTGAGE PAYMENTS, AND**
- * IF YOU MEET OTHER ELIGIBILITY REQUIREMENTS ESTABLISHED BY THE PENNSYLVANIA HOUSING FINANCE AGENCY.**

TEMPORARY STAY OF FORECLOSURE --- Under the Act, you are entitled to a temporary stay of foreclosure on your mortgage for thirty (30) days from the date of this Notice. During that time you must arrange and attend a "face-to-face" meeting with one of the consumer credit counseling agencies listed at the end of this Notice. **THIS MEETING MUST OCCUR WITHIN THE NEXT (30) DAYS. IF YOU DO NOT APPLY FOR EMERGENCY MORTGAGE ASSISTANCE, YOU MUST BRING YOUR MORTGAGE UP TO DATE. THE PART OF THIS NOTICE CALLED "HOW TO CURE YOUR MORTGAGE DEFAULT", EXPLAINS HOW TO BRING YOUR MORTGAGE UP TO DATE.**

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

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

* TO SEEK PROTECTION UNDER THE FEDERAL BANKRUPTCY LAW.

**PENNSYLVANIA HOUSING FINANCE AGENCY
HOMEOWNER'S EMERGENCY MORTGAGE ASSISTANCE
PROGRAM CONSUMER CREDIT COUNSELING AGENCIES**

CCCS of Western Pennsylvania, Inc
217 E. Plank Road
Altoona, PA 16602
(814) 944-8100
(814) 944-5747

Indiana Co. Community Action Program
827 Water Street, Box 187
Indiana, PA 15701
(724) 465-2657
FAX (724) 465-5118

Credit Counselors of PA
401 Wood Street, Suite 906
Pittsburgh, PA 15222
(412) 338-9954 or 1 (800) 737-2933
FAX (412) 338-9963

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102466
NO. 07-268-CD
SERVICE # 1 OF 1
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: CHRIS E. EVANS

SHERIFF RETURN

NOW, February 23, 2007 AT 11:41 PM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON CHRIS E. EVANS DEFENDANT AT 121 HIGH ST., CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO CHRIS E. EVANS, DEFENDANT A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER / DEHAVEN

PURPOSE	VENDOR	CHECK #	AMOUNT
SURCHARGE	BCCZ	1781	10.00
SHERIFF HAWKINS	BCCZ	1781	20.39

FILED
09:40AM
MAY 11 2007


William A. Shaw
Prothonotary/Clerk of Courts

Sworn to Before Me This

So Answers,

____ Day of _____ 2007


Chester A. Hawkins
Sheriff

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

CLEARFIELD BANK AND TRUST
COMPANY,

No. 07-268-CD

Plaintiff

vs

CHRIS E. EVANS,

Defendant

Type of Pleading: PRAECIPE

Filed on Behalf of: Plaintiff

Counsel of Record for this Party:
BABST, CALLAND, CLEMENTS AND
ZOMNIR, PC.
ALAN F. KIRK, ESQUIRE
Supreme Court # 36893
328 Innovation Boulevard, Suite 200
State College, PA 16803
(814) 867.8055
(814) 867.8051 - Fax
akirk@bccz.com

PRAECIPE

TO: PROTHONOTARY OF CLEARFIELD COUNTY

Please mark the above-captioned case discontinued.

BABST, CALLAND, CLEMENTS AND
ZOMNIR, PC.

Date: 5-31-07

By

Alan F. Kirk

Alan F. Kirk, Esquire

ID#36893

328 Innovation Boulevard, Suite 200

State College, PA 16803

Phone: 814.867.8055

Fax: 814.867.8051-Fax

2cc +1 Cert
FILED of disc issued
m/12/10 cm to Atty Kirk.
JUN 04 2007
(JM)

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF
CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

COPY

Clearfield Bank & Trust Company

Vs. No. 2007-00268-CD
Chris E. Evans

CERTIFICATE OF DISCONTINUATION

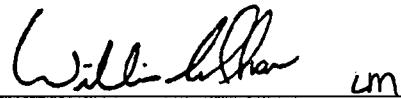
Commonwealth of PA
County of Clearfield

I, William A. Shaw, Prothonotary of the Court of Common Pleas in and for the County and Commonwealth aforesaid do hereby certify that the above case was on June 4, 2007, marked:

Discontinued

Record costs in the sum of \$85.00 have been paid in full by Alan F. Kirk Esq.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal of this Court at Clearfield, Clearfield County, Pennsylvania this 4th day of June A.D. 2007.



William A. Shaw, Prothonotary