07-275-CD
Clfd B&T vs Andrew Batcho al

Clfd Bank & Trust vs Andrew Batcho et al
2007-275-CD

REAL ESTATE APPRAISAL
Glen & Linda Batcho Property
110- East Market Street
Clearfield, PA

FOR: Timothy E. Durant
Attorney at Law
201 North Second Street
Clearfield, PA 16830

BY: Provost Real Estate Appraisers
302 East Pine Street
Clearfield, Pa. 16830

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Legal Description

Provost Real Estate Appraisers

Residential - Commercial - Industrial
State Certified General and Residential Appraisers
302 East Pine Street - Clearfield, Pa. 16830
(814) 765 5252 - Fax (814) 765 2425

Richard J. Provost, IFAS
General
Certified Appraiser

Sonya L. Flanagan
Residential
Certified Appraiser

October 15, 2008

Timothy E. Durant
Attorney at Law
201 North Second Street
Clearfield, PA 16830

Dear Mr. Durant:

Per your request and the request of Glen Batcho, I am submitting this appraisal report, on the property located at 110 East Market St. Clearfield, Clearfield County, PA. The purpose of the appraisal is to give my opinion of market value in fee simple to aid in deficiency judgment litigation.

Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and the seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereof; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

The effective date of the appraisal is as of April 14, 2008.

The appraised property consists of a one and two story brick building, situate on a parcel of land containing 17,730 square feet.

The property is zoned commercial district and is considered a legal use.

Flood Map# 420300 0001B, dated September 5, 1979, indicates the property is not located in a flood hazard zone.

The property is identified by Clearfield County Tax Map # 4.1 - K08 - 216 - 037 and 89.

After my inspection and analysis, it is my opinion the market value of the above described property as of the effective date of the appraisal was:

Land & Bldg	**$272,000.00**
Land Value	**$195,000.00**

Respectfully Submitted,

Richard J. Provost, IFAS
PA General Certified Appraiser
Certification # GA-000369-L

SUMMARIZATION OF APPRAISAL PROCESS

On August 28, 2008, I viewed the subject site and building, interior and exterior. Photographs were taken of the property. The neighborhood characteristics were observed. A search of comparable sales included the appraiser's data base and interviews with local appraisers. The direct sales comparison approach was determined to be appropriate.

INTENDED USE OF APPRAISAL: This appraisal report has been prepared for the sole and exclusive use of, Timothy E. Durant, Attorney at Law to assist with litigation. No Third parties are authorized to rely upon this report without the express written consent of the appraiser.

INTENDED USER; Attorney Timothy E. Durant and Glen Batcho.

SCOPE OF WORK

The scope of work refers to the extent of the process in which data is collected, confirmed and reported.

Degree to which the property is inspected or identified.

Extent of research into physical or economic factors that could affect the property.

Extent of data research

Type and extent of analysis applied to arrive at opinions or conclusions.

SCOPE OF WORK

In developing this appraisal, I have considered the following scope of work. If an item is checked, it was either developed as part of the appraisal or not pertinent to the assignment. The most applicable approaches have been developed based upon the Client- Appraiser communication and upon the scope of work typically used by the appraiser's peers.

I have:

_x_ Defined the problem and type of value and rights to be Appraised.

_x_ inspected the subject property, interior and exterior.

_ Physically measured the building(s).

_x_ Obtained measurements from **county records**, previous appraisal or plans and specs

_x_ Photographed the subject property.

_x_ Observed the neighborhood and market area.

_X_ considered any easements, restrictions, encumbrances, leases, reservations, covenants, declarations, special assessments, ordinances, or other items of a similar nature.

___ Considered whether an appraised fractional interest, physical segment, or partial holding contributes pro rata to the value of the whole.

___ Identified and considered the effect on value of any personal property, trade fixtures or intangible items that are not real property but are included in the appraisal.

_X_ considered the effect on use and value of the following factors: land use regulations, reasonably probable modifications of such land use regulations, economic demand, the physical adaptability of the real estate, neighborhood trends, and the highest and best use of the real estate.

SCOPE OF WORK

_x_ appraised the land as though vacant and available for development to its highest and best use and of improvements on their actual contribution to the site.

_X_ valued the site.

_X_ collected, verified, analyzed or reconciled any:

__ comparable cost data

__ comparable data on accrued depreciation

_x_ comparable sales data

___ comparable rental data

___ comparable operating expense data

___ comparable rate data for capitalization and/or discount

___ based projections of future rent and expenses on reasonably clear and appropriate evidence.

___ When valuing leased fee or leasehold, estates, considered and analyzed the effect on value, if any, of the terms and conditions of the lease(s).

considered and analyzed the effect on value of the assemblage of various estates or component parts of a property or refrained from estimating the value of the whole solely by adding together the individual values of the differing estates or component parts.

_X_ considered or analyzed the effect on value of anticipated public or private improvements, located on or off site, to the extent that market actions reflect such anticipated improvements as of the effective appraisal date.

SCOPE OF WORK

_x_ identified and considered the appropriate procedures and market information required to perform the appraisal, including all physical, functional and external market factors as they affect the appraisal.

___ Appraised proposed improvements after examining and having available for future examination:

__ plans, specifications, or other documentation sufficient to identify the scope and character of the proposed improvements;

__ evidence indicating the probable time of completion of the proposed improvements;

__ reasonably clear and appropriate evidence supporting development costs, anticipated earnings, occupancy projections, and the anticipated competition at the time of completion.

TAX AND ASSESSMENT DATA

Recorded in:
Clearfield County Courthouse
Clearfield, Pennsylvania
16830

Instrument Number 200805196

Clearfield County Tax Map Numbers

4.1 - K08 - 216 - 37
4.1 - K08 - 216 - 89

Assessed as:

Building & .23 acre & .184 acre

Assessed Value:

$47,750.00

Real Estate Taxes
based on 132.84 Mills

$6,343.11

Site Description

The site is level at road grade and contains approximately 17,730 square feet.

The site allows for parking for employees and patrons. The site is a corner lot with average ingress and egress. It is bordered by a public alley and East Market Street.

Improvements to the site include concrete sidewalks and all municipal services. The site has sufficient size, shape, area and topography to allow for average utility.

The property is zoned commercial district and is considered a legal use.

The site is located along East Market Clearfield PA. It offers good visibility and average ingress and egress.

Flood Map# 420300 0001B, dated September 5, 1979, indicates the property is not located in a flood hazard zone.

Site value: $195,000.00.

BUILDING DESCRIPTION

One and two story brick building containing an estimated 23,524 square feet. The building was erected circa 1900. It is of average construction in fair to average condition.

Exterior: Flat built up roof over the retail and apartments, a gambrel style roof over the garage and storage area. Stone foundation and brick exterior walls.

At the time of the inspection, the first floor was vacant and offered commercial retail, office and storage/warehouse areas.

The second floor consists of apartment units. Two units were vacant.

Interior Finish: resilient and carpeted floors; painted and paneled walls and suspended and block ceiling tile.

Heat is provided by Gas hot water. Electrical and plumbing systems are considered adequate.

Remaining Economic Life: 15 years.

Subject Photos



FRONT



GARAGE & PARKING LOT

NEIGHBORHOOD DATA

The subject property is located in the business district of Clearfield Borough. The neighborhood is all of East Market Street from Front St. to and including Fourth St. This area consists of commercial properties offering a variety of services.

CLEARFIELD BOROUGH

COUNTY SEAT

DEMOGRAPHICS

TOTAL POPULATION	6,633
SQUARE MILES	1.8
PERSONS PER SQUARE MILE	3,510.3
HOUSING UNITS	2,538
MEDIAN HOUSING VALUE	$40,800.00
MEDIAN RENT	$282.00
HOUSEHOLD INCOME	$19,338.00

HIGHEST AND BEST USE

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

HIGHEST AND BEST USE OF LAND OR A SITE AS THOUGH VACANT

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

AS VACANT

The subject is a corner lot containing 17,730 sq. ft. of land with average access and all public utilities.

The site has sufficient size and shape to support numerous permitted uses.

The highest and best use of the subject property is for commercial use as per zoning and surrounding land uses.

HIGHEST AND BEST USE

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

HIGHEST AND BEST USE OF PROPERTY AS IMPROVED

The use that should be made of a property as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than off set the cost of demolishing the existing building and constructing a new one.

AS IMPROVED

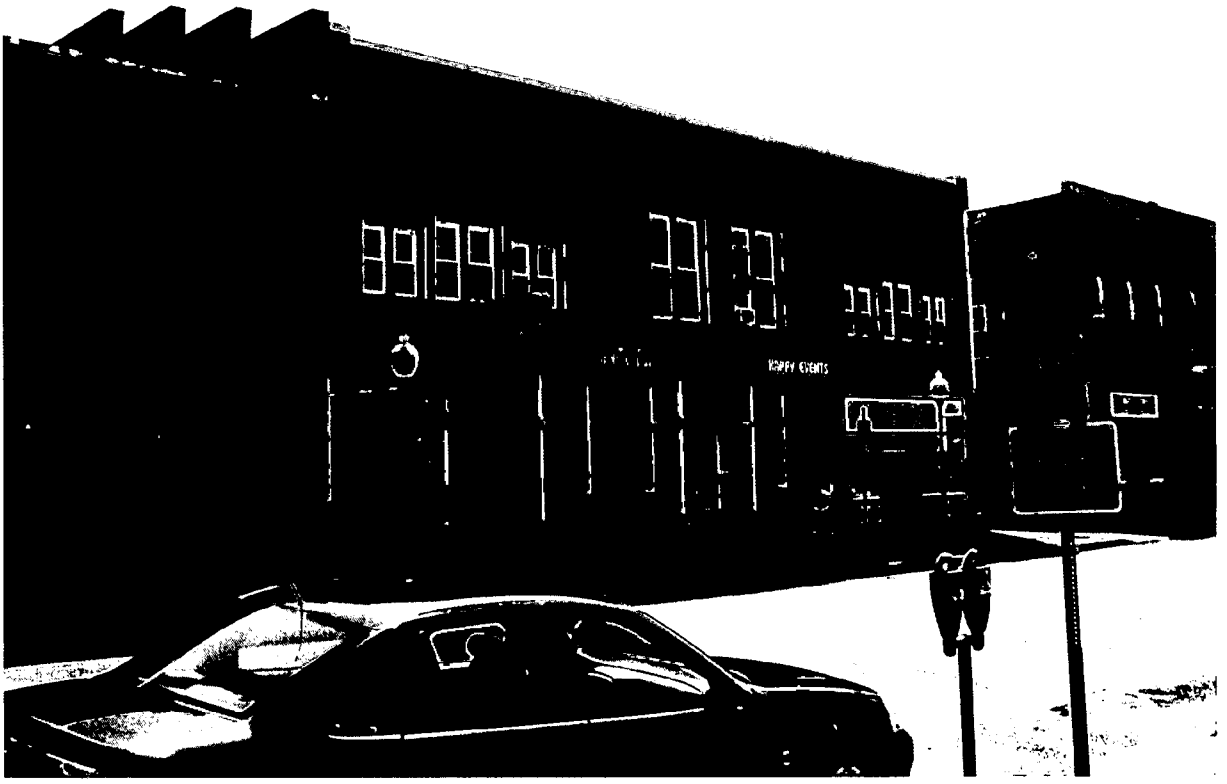
The subject property is improved with a two story, brick building. It is of average construction in fair to average condition. There is also a garage building used for storage & maintenance.

The current use is physically possible and legally permitted. The expanded dining area is evidence the commercial use is feasible and profitable.

The highest and best use of the building is for the continued use as a mixed use property offering commercial and residential use.



Comparable # 1
Clearfield Borough
10 North Second St.
Clearfield County
Map# 4.1-K08-218-06
Instrument # 20010762
Two Story masonry building 4,488 Square Feet
Built Circa: 1900
Site: 2,244 Square Feet
Sold: 6-04
Consideration: $130,000.00
$28.97 per sq. ft.
Superior Condition -(50%)
$14.49 Adjusted Value



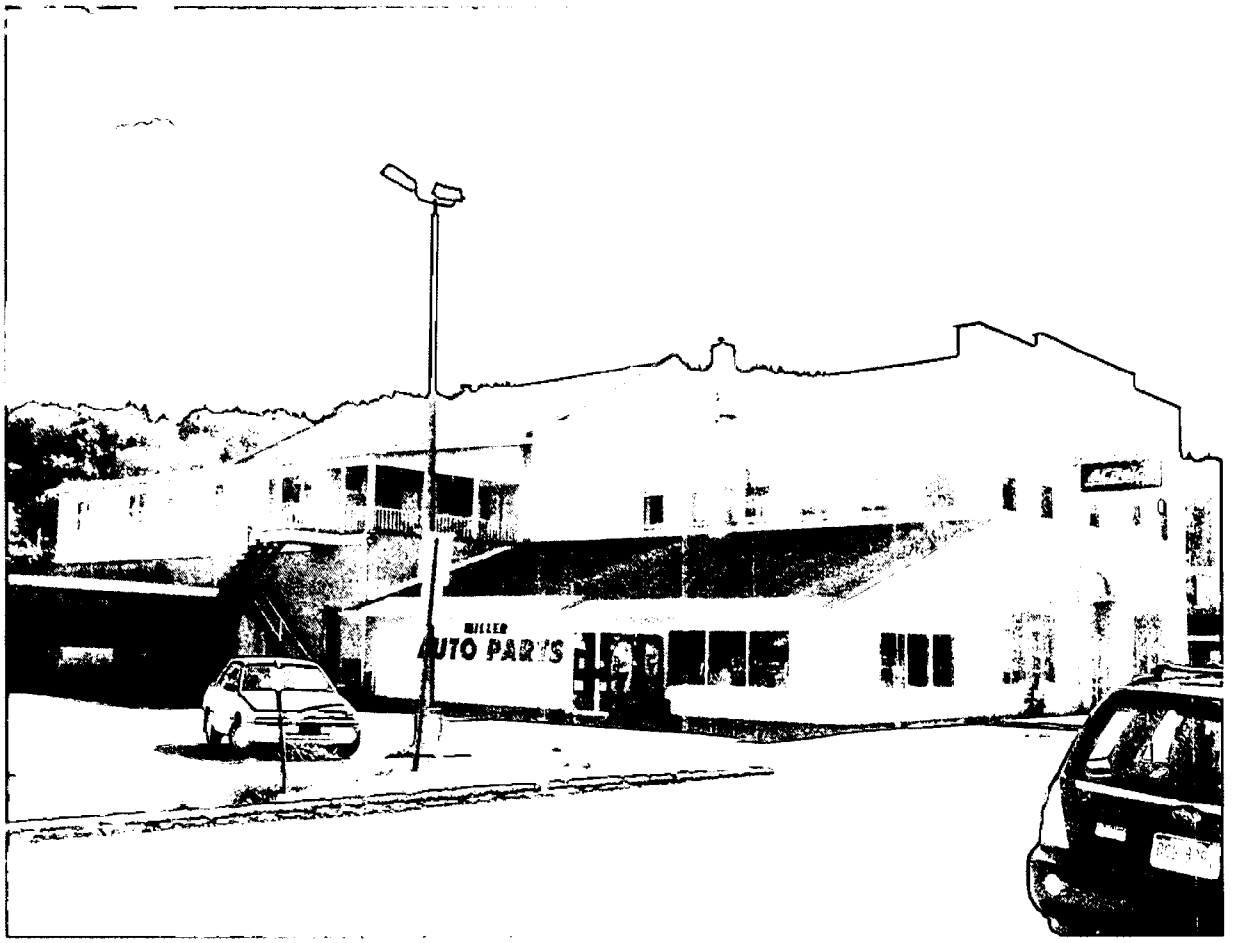
Comparable # 2

Clearfield Borough
123 East Market St.
Clearfield County
Map# 4.1-K08-218-06
Instrument # 20040816
Two Story masonry building 7,080 sq. ft.
Built Circa: 1900
Site: 3,920 Square Feet
Sold: 8-04
Consideration: $60,000.00
$8.47 per sq. ft.



Comparable # 3

Clearfield Borough
232 East Market St.
Clearfield County
Map# 4.1-K08-216-03
Instrument # 200712039
Two Story masonry building 2,860 sq. ft.
Built Circa: 1910
Site: 3,440 Square Feet
Sold: 07-07
Consideration: $73,000.00
$25.52 per sq. ft.
Superior Condition -(50%)
$12.76 adjusted value



Comparable # 4

Clearfield Borough
110 South Third St.
Clearfield County
Map# 4.4-K08-219-47, 48 & 49
Instrument # 200618888
Two Story masonry building 18,160 sq. ft.
Built Circa: 1910
Site: 19,733 Square Feet
Sold: 11-06
Consideration: $280,000.00
$15.42 per sq. ft.
Superior Condition -(50%)
Inferior Location + 25%
Net adjustment -(25%)
$11.57 adjusted value

Analysis

VALUE RANGE

$8.47 - $11.57 $12.76 - $14.49

$ 8.47 sq. ft. x 23,524 sq. ft. =	$200,000.00	ROUNDED
$11.57 sq. ft. x 23,524 sq. ft. =	$272,000.00	ROUNDED
$12.76 sq. ft. x 23,524 sq. ft. =	$300,000.00	ROUNDED
$14.49 sq. ft. x 23,524 sq. ft. =	$340,000.00	ROUNDED

It is my opinion comparable sale number 4 is most similar to the subject property.

$272,000.00

THE DIRECT SALES COMPARISON APPROACH

LAND SALES

Comparable # 1

Clearfield Borough
Corner of N. 2nd St and East Locust Streets
Map# 4.1-K08-216-11
Instrument # 200707198
14,941 Square Foot lot (Vacant Lot)
Sold 04/07
Consideration: $200,000.00
$13.39 per sq. ft.
Superior Location -(20%)
$10.71 Adjusted Value

Comparable # 2

Clearfield Borough
Corner of N. 2nd St and East Pine Streets
Map# 4.1-K08-214- 04
Instrument # 200418564
6,080 Square Foot lot (Vacant lot)
Sold 11/04
Consideration: $60,000.00
$9.87 per sq. ft.
Inferior Location + 10%
Inferior in Size + 10%
$11.84 Adjusted Value

Comparable # 3

Clearfield Borough
12-18 N. Third Street
Map# 4.4-K08-219-33
Instrument # 2003014314
21,214 Square Foot lot
Sold 08/03
Consideration: $210,000.00 + $35,000 Demolition
$11.55 per sq. ft.
Similar Location
Superior Size - (10%)
$10.39 Adjusted Value

Comparable # 4

Clearfield Borough
N.Third St.
Map# 4.4-K08-198-29 & 30
Instrument # 200513336
4,443 Square Foot lot Vacant Lot
Sold 08/05
Consideration: $70,000.00
Similar Location
L shaped lot (2 adjoining)
$15.76 per sq. ft.

DIRECT SALES COMPARISON APPROACH

Comparable # 5

Clearfield Borough
N. Front Street
Map# 4.1-K08-216-39
Instrument # 200607463
9,000 Square Foot lot
Sold 05/06
Consideration: $60,000.00
$6.67 per sq. ft.
Similar Location
Inferior Access + 25%
$8.33 Adjusted Value

Comparable # 6

Clearfield Borough
21 N. Second Street
Map# 4.1-K08-216-12
Instrument # 200703307
4,748 Square Foot lot
Sold 02/07
Consideration: $195,000.00
$41.07 per sq. ft.
Superior Location -(20%)
$32.86 Adjusted Value + Demolition

DIRECT SALES COMPARISON APPROACH

Analysis

VALUE RANGE

$8.33 - $10.39 - $10.71 - $11.84 - $15.76 - $32.86

All of the lot sales are within a three block area of the subject property.

Comparable sales 4 and 6 appear to be over market. Sale # 4 was sold to the VFW for additional parking which they needed and sale # 6 is adjacent to the YMCA.

It is reasonable to extract $11.00 per square foot for the subject property.

$11.00 x 17,730 sq. ft. = $195,030.00

LAND VALUE

$195,000.00 rounded

EXPOSURE TIME

Exposure time is defined as the "estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

It would seem the subject property would have an exposure time of thirty (30) days to several months as this is the amount of time estimated to consummate a sale.

MARKETING TIME

Marketing time is defined as the amount of time the subject property would take to sell after the effective date of the appraisal.

The estimated marketing time for the subject property is 30 days to one year.

There is ample mortgage money available at competitive rates and terms.

SUBJECT SALES HISTORY

The subject property has not transferred in the past three years.

It is up for sheriff sale.

RECONCILIATION OF VALUE INDICATORS

COST APPROACH

The Cost Approach estimates the land value and the cost to reproduce the improvements new, deducts accrued depreciation to arrive at a depreciated value of the improvements. The estimated land value is then added to arrive at an indication of market value. This method is generally used for new or almost new construction, or for special purpose type buildings (churches, schools, etc.).

NOT APPLIED

THE DIRECT SALES COMPARISON APPROACH

The Direct Sales Comparison Approach is the comparison of similar properties that have been recently sold to the property being appraised to arrive at an indication of value. I have used this approach to support the as completed value from the income approach.

Land & Bldg	**$272,000.00**
Land Value	**$195,000.00**

INCOME APPROACH

The Income Approach estimates the net annual income and selects the appropriate rate from the market and capitalizes the net annual income to arrive at an indication of value. This approach was applied to the property as completed, and not as is because most of the building is not habitable as is.

FINAL VALUE CONCLUSION

Land & Bldg	**$272,000.00**
Land Value	**$195,000.00**

RICHARD J.. PROVOST
IFAS
Real Estate Appraiser
302 East Pine Street
Clearfield, Pennsylvania
16830

PROFESSIONAL EXPERIENCE:

Active in real estate sales, appraisals, & property management in Clearfield and surrounding counties since 1964. Licensed Real Estate Broker (#22867) since 1968.

Qualified as Expert Witness in Clearfield, Centre, Bucks, Elk, McKean and Cambria Counties.

HUD-FHA - Fee Appraiser since 1981.
VA - Fee Appraiser since 1981.
Approved as Fee Appraiser by Commonwealth of Pennsylvania in 1980.

Approved Penn State Continuing Education instructor for real estate courses 1986.

Approved instructor for Myra Gress School for Career Development 1988.

Appraisal consultant for Lending Institutions, Attorneys, Commercial and Industrial firms as well as private clients. Below are some of the major clients.

BANK OF NEW YORK, NORTH FORK BANK, S&T BANK, FARMER'S NATIONAL BANK, NORTHWEST SAVINGS BANK, FIRST NATIONAL BANK, VARIOUS TOWNSHIPS AND MUNICIPALITIES IN CLEARFIELD COUNTY, PENN DOT, BELL OF PA, COMMONWEALTH OF PA, DUPONT CORPORATION, ALLSTATE INSURANCE, PRUDENTIAL INSURANCE AND RELOCATION COMPANY, BAYER CLOTHING GROUP, TYSON METAL, NORTH AMERICAN REFRACTORIES, GPU ENERGY CORPORATION, CLEARFIELD AREA SCHOOLS, MERRILL LYNCH, EQUITABLE & HOMEQUITY RELOCATION SERVICES, CHRYSLER CORPORATION, BROCKWAY GLASS, NORTH AMERICAN VAN LINES, OWENS-ILLINOIS, BUTLER TRUCKING, GENERAL CIGAR, CLEARFIELD HOSPITAL, CLEARFIELD COUNTY, PIDA, KURTZ BROS. INC., SEARS MORTGAGE, COLDWELL BANKER, PSECU, US NAVY FEDERAL CREDIT, CLEARFIELD BANK & TRUST CO., CSB BANK, CNB BANK, AND CLEARFIELD COUNTY INDUSTRIAL AUTHORITY.

EDUCATIONAL BACKGROUND AND TRAINING:

1966 - Penn State, DuBois, Pennsylvania
Principles & Techniques of Residential Appraising
The Society of Real Estate Appraisers

1967 - Duquesne University, Pittsburgh, Pennsylvania
Real Estate Appraising — Real Estate Management
Real Estate Mathematics — Real Estate Law
Real Estate Selling & Financing — Home Style & Construction
The Greater Pittsburgh Board of REALTORS

1969 - Seminar - Pittsburgh, Pennsylvania
Instant Mortgage Equity Techniques

American Institute of Real Estate Appraisers Courses:

1977 - Robert Morris College, Pittsburgh, Pennsylvania
1-A- Appraisals Principals, Methods & Techniques

1978 - Robert Morris College, Pittsburgh, Pennsylvania
1-B Capitalization Theory and Techniques

1978 - Robert Morris College, Pittsburgh, Pennsylvania
Course 8- Single Family Residential Appraisals

1979 - University of North Carolina, Chapel Hill, North Carolina. Course 11 - Urban Properties

1980 - College of Boca Raton, Boca Raton, Florida
Real Estate Investment Analysis

INTERNATIONAL RIGHT OF WAY ASSOCIATION

2000 - Delaware Department of Transportation, Bear Delaware
International Right of Way Association
The Appraisal of Partial Acquisitions

2000 - Principals of Real Estate Engineering Course 900
International Right of Way Association
Hanover Maryland October 16 - 17

EDUCATIONAL BACKGROUND AND TRAINING:

2000 - Condemnation Appraising: Advanced Topics & Applications
Appraisal Institute - Pittsburgh Metropolitan Chapter
Pittsburgh Pa. November 17 - 18

APPRAISAL SEMINARS

1981 - HUD-FHA Appraisers Seminar, Pittsburgh, Pennsylvania

1981 - Veterans Administration Appraisers Seminar

1982 - HUD-FHA Appraisers Seminar, Pittsburgh, Pennsylvania

1983 - HUD-FHA Appraisers Seminar, Pittsburgh, Pennsylvania
1984 - AIREA - Evaluating Commercial Construction, Oglebay, West Virginia

1984 - AACA - Freddy Mac & Fannie Mae Seminar, Cherry Hill, New Jersey

1984 - AIREA - How a Reviewer Looks at the Commercial Appraisal - Reviewing a residential Appraisal Pittsburgh, Pennsylvania

1985 - AIREA - Industrial Property Evaluation Cost Approach State College, Pennsylvania

1985 - Marshall and Swift Residential Cost Seminar, DuBois Pennsylvania

1985 - Marshall and Swift Commercial Properties Cost Seminar, DuBois, Pennsylvania

1985 - AIREA - Real Estate Risk Analysis Seminar, Edinboro, Pennsylvania

1985 - AIREA - Federal Home Loan bank Board regulation R 41 b, Edinboro, Pennsylvania

1986 - AIREA - Ethics and Professional Standards Course, Oglebay, West Virginia

1986 - HUD-FHA Appraisers seminar, Pittsburgh, Pennsylvania

1986 - AACA - Court Testimony for Real Estate Appraisers, Cherry Hill, New Jersey - May 22 and 23

1986 - AIREA - Underwriting Guidelines, White Sulphur Springs, West Virginia - May 29

APPRAISAL SEMINARS

1986 - AIREA - Corporate Relocation Appraisal Guidelines, White Sulphur Springs, West Virginia - May 30

1986 - AIREA - Cash Equivalency, White Sulphur Springs, West Virginia - May 30

1986 - Employee Relocation Council - Relocation Appraisal Seminar, Philadelphia, Pennsylvania - August 19

1986 - AIREA - Tax Law Changes and Appraisal of Rights of Way, Seven Springs, Pennsylvania, October 24 and 25

1987 - Veterans Administration Appraisers Seminar, Pittsburgh, Pennsylvania - January 7

1987 - HUD-FHA Appraisers Seminar, Pittsburgh, Pennsylvania January 16

1987 - AIREA - Quarterly Seminar - State College, Pennsylvania - July 9 - 10 - 11

1987 - AACA - The Complete URAR Seminar - Boston, Massachusetts - September 17

1987 - AACA - Financial Calculators and Cash Equivalency Boston, Massachusetts - September 18

1987 - AIREA - Highest and Best Use analysis in the Appraisal Process - Dawson, Pennsylvania September 25

1987 - AIREA - Interpreting Construction Documents - Dawson, Pennsylvania - September 25

1987 - AIREA - Surveys and Site Orientation - Dawson, Pennsylvania, September 26

1987 - Review Appraisal of the Uniform Residential Appraisal Morristown, New Jersey - November 12

1987 - HUD-FHA Appraisers Seminar, Pittsburgh, Pennsylvania December 16

Appraisal Seminars
(Continued)

1988 - Veterans Administration Appraisers Seminar, Pittsburgh, Pennsylvania - January 6

1988 - AIREA - Commercial Construction Seminar and Report Writing Seminar - Edinboro, Pennsylvania April 7-8-9

1988 - AIREA - Quarterly Seminar - Litigation Valuation Pittsburgh, Pennsylvania - September 29-30 & Oct. 1

1988 - HUD-FHA Appraisers Seminar, Pittsburgh, Pennsylvania - December 5

1989 - Veterans Administration Appraisers Seminar, Pittsburgh, Pennsylvania - January 9

1989 - AIREA - Aspects of Accrued Depreciation - Olgebay, West Virginia - January 26 - 27

1989 - AIREA - Rate Extraction (Practical Application) Morgantown, West Virginia - July 14-15

1989 - AIREA - Valuation of Lease Interest Part I and Applied Sales Comparison Approach - Seven Springs Champion, Pennsylvania - September 21-22-23

1990 - AIREA - Quarterly Seminar - The Economic Impact of Presence of Hazardous Materials and It Wasn't Raining When Noah Built the Ark - Oglebay, West Virginia - February 2-3-4

1990 - VA-Fee Appraisers Seminar - Pittsburgh, Pennsylvania February 5

1990 - AIREA - Quarterly Seminar - Valuation of Proposed Development - Toftrees resort, State College, Pennsylvania - July 13-14

1990 - HUD - Fee Appraisers Seminar - Pittsburgh, Pennsylvania - December 19

1991 - VA - Fee Appraisers Seminar - Seven Springs Champion, Pennsylvania - January 10

Appraisal Seminars
(Continued)

1991 - AIREA - Quarterly Seminar - Appraisal Regulations of the Federal Banking agencies - West Virginia, February 7-8-9

1992 - Appraisal Institute Seminar - The Appraisers Guide to the SRIPAR - Pittsburgh, Pennsylvania February 6-7-8

1993 - HUD - Fee Appraisers Seminar - Pittsburgh, Pennsylvania - February 1

1993 - Continuing Education : Polley Associates - Appraisal Regulations, Narrative Report Writing, Construction, 2-4 Family Properties, Appraisal Review - DuBois, Pennsylvania - March 26-27-28

1993 - Continuing Education: Myra Gress School for Career Development - Fair Housing/License Law - DuBois, Pennsylvania - April 18

1993 - Quarterly Seminar - URAR Form and Lender Panel Discussion - Edinboro Inn, Edinboro, Pennsylvania October

1994 - Appraisal Institute Seminar - Standards of Professional Practice - Part B - Penn State - Monroeville Pennsylvania May 20-21

1994 - Quarterly Seminar - Appraisal Institute Seminar "Understanding Limited Appraisals and Appraisal Reporting Options - General" - Greentree, Pennsylvania - August 12

1995 - HUD Recertification Seminar - Meadville, Pennsylvania - March 7

Appraisal Seminars
(Continued)

1995 - Veterans Administration Appraisers Seminar
"Appraising Residential Real Estate and VA Guidelines
Seven Springs, Champion Pennsylvania - June 3

1995 - Business Valuation - Part One & Part Two
Appraisal Institute, Central Pennsylvania Chapter
Harrisburg, Pennsylvania
September 15 & 16, 1995

1996 - Appraisal Institute Seminar
Data Confirmation and Verification Methods
USPAP Update - Greentree, Pittsburgh,
Pennsylvania - March 22 - 23

1997 - HUD Seminar
Pittsburgh, Pennsylvania - June 23

1998 - Appraisal Institute Seminar
Eminent Domain & Condemnation Appraising
Greentree, Pittsburgh - May 15

1998 - National Association of Independent Fee Appraisers
Professional Standards of Practice
Monroeville, PA - July 11-12

1998 - Appraisal Institute Seminar
Complex Residential Property Reporting
Monroeville, PA. - September 25

1998 - Veterans Administration Appraisers Seminar
"Appraising Residential Properties and VA Guidelines"
Pittsburgh, Pennsylvania - November 5

1999 - National Association of Independent Fee Appraisers
Pennsylvania Certification, Law & Regulations
Station Square, Pittsburgh, PA - February 20

2000 - National Association of Independent Fee Appraisers
Marshall & Swift Residential Cost Service
Pittsburgh, Pa. - June 23

Appraisal Seminars
(Continued)

2000 - National Association of Independent Fee Appraisers
Marshall & Swift Commercial Cost Service
Pittsburgh, Pa. - June 24

2000 - Veterans Administration Appraisal Seminar
Pittsburgh, Pa. - September 26

2001 - Pittsburgh Metropolitan Chapter of the Appraisal Institute
Highest & Best Use Application - Pittsburgh, Pa.
November 16

2002 - Pittsburgh Metropolitan Chapter of the Appraisal Institute
Uniform Standards of Professional Appraisal Practice
And Pennsylvania Rules, Regulations, Policies & Act 98
Pittsburgh, Pa. - June 21

2002 - Appraisal Institute - Home Mortgage Fraud
Pittsburgh, Pa. - June 26

2003 - Appraisal Institute - Avoiding Liability as a Residential
Appraiser - Pittsburgh, PA - April 25

2003 - Appraisal Institute - Evaluation Commercial Construction
Cranberry, PA - September 25 - 26

2004 - Appraisal Institute - Business Practices & Ethics
Pittsburgh, PA - March 27

2004 - Appraisal Institute - Single Family Fraud & Handling of
Confidential Information - Pittsburgh, PA June 16

2004 - Appraisal Institute - Uniform Construction Code for PA.
Erie, PA - June 23

2004 - Appraisal Institute - USPAP Course
Pittsburgh, PA - August 2

2004 - Appraisal Institute - Land Valuation Adjustment Procedures
Pittsburgh, PA - October 7

2004 - Appraisal Institute - Land Valuation Assignments
Pittsburgh, PA - October 8

Appraisal Seminars
(Continued)

2005 - Veterans Administration Appraisal Seminar
Pittsburgh, PA. - May 19

2005 - Appraisal Institute - Professionals Guide to the URAR
Pittsburgh, PA - September 21

2006 - PA Mortgage Bankers - Mortgage Fraud Detection
Pittsburgh, PA - February 22

2006 - Appraisal Institute - Scope of Work
Pittsburgh, PA - April 07

2006 - Veterans Administration Appraisal Seminar
Pittsburgh, PA. - June 15

2006 - Appraisal Institute - National USPAP Update
Pittsburgh, PA - June 16

2006 - Appraisal Institute - Pennsylvania Rules, Regulations, Policies & Act 98
Pittsburgh, PA. - September 15

2007 - Appraisal Institute - Supporting Capitalization Rates
Morgantown W. VA. - September 28

2007 - Appraisal Institute - Appraising Distressed Properties
Morgantown W. VA. - September 29

TYPES OF PROPERTY APPRAISED

Single Family Residential	2-4 Family Units
Apartments Complexes	Log Homes
Cottages	Cabins
Vacant Land	Mineral Rights/Gas/Oil/Coal
Commercial Properties	Retail Stores
Automobile Dealership	Convenience Stores
Supermarkets	Office Buildings
Gasoline Service Stations	Restaurants
Medical Office Buildings	Service & Storage Garages

SPECIAL PURPOSE PROPERTIES

Churches	Funeral Homes
Health Clubs	Dairies
Banks	Car Wash Buildings
Theaters	School Buildings
Roller Rinks	Truck Terminals
Veterinary Hospitals	Bowling Alleys
Hotels	Motels

INDUSTRIAL PROPERTIES

Textile	Welding
Industrial Parks	Tool & Die
Brick Yards	Light & Heavy Factories

OTHER TYPES

Rights-of-Way	Partial Interest
Leasehold Interest	Leased Fee Interest

PROFESSIONAL AFFILIATIONS

MEMBER OF:

NATIONAL ASSOCIATION OF REALTORS

PENNSYLVANIA ASSOCIATION OF REALTORS

CLEARFIELD-JEFFERSON ASSOCIATION OF REALTORS

AMERICAN ASSOCIATION OF CERTIFIED APPRAISERS (1977)

AWARDED THE SENIOR APPRAISER DESIGNATION BY THE
AMERICAN ASSOCIATION OF CERTIFIED APPRAISERS (1977)

STATE ACCREDITED AFFILIATE OF AMERICAN INSTITUTE OF
REAL ESTATE APPRAISERS (Feb. 1, 1992)
AMERICAN INSTITUTE OF REAL ESTATE APPRAISERS - 1984
AFFILIATE # 840063

CERTIFIED BY PENNSYLVANIA STATE TAX EQUALIZATION BOARD AS A
CERTIFIED PENNSYLVANIA EVALUATOR (Nov. 1989)

PENNSYLVANIA STATE CERTIFIED RESIDENTIAL REAL ESTATE APPRAISER
(Sept. 1991) Certificate # RL-000337-L

PENNSYLVANIA STATE CERTIFIED GENERAL REAL ESTATE APPRAISER
(October, 1991) Certificate # GA-000369-L

AWARDED THE SENIOR APPRAISER DESIGNATION BY THE
NATIONAL ASSOCIATION OF INDEPENDENT FEE APPRAISERS (1998)

LIMITING CONDITIONS

The most significant limiting conditions and assumptions pertinent to this analysis are enumerated below:

Market Value is defined as the most probable price which property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer And seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in term of financial arrangements comparable thereof; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

No investigation of title to the property has been made, and the premises are assumed to be free and clear of all deeds of trust, leases, use restrictions and reservations, easements, cases or action pending, tax liens and bonded indebtedness, unless otherwise specified.

No survey, legal or engineering analysis of this property has been made by us. It is assumed that the legal description and area computations furnished are correct. We assume the existing boundaries to be correct, and assume no responsibility for any conditions not readily observable from our customary inspection of the premises, which might affect the valuation, excepting those items specifically mentioned in this report. The report assumes the condition of the property unchanged since the date of last field inspection.

This report is based in part on information assembled from a wide range of sources, and therefore the incorporated data cannot be guaranteed in any fashion. An impractical and uneconomic expenditure of time would be required in attempt to furnish unimpeachable verification in all instances, particularly as to engineering, construction, structural data, title and use restrictions, zoning, and proposed public or private projects in the area.

We suggest the independent verification within these categories be accomplished as a prerequisite to any transaction involving sale, lease, or other significant commitment of subject property, and that such verification be preformed by the appropriate specialist.

Certification of Appraiser

I certify that to the best of my knowledge and belief,...

The statements of fact contained in this report are true and correct.

The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, unbiased professional analysis, opinions, and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

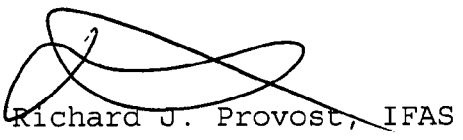
My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of this report.

My analysis, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Uniform Standards of Professional Practice.

I have made a personal inspection of the property that is the subject of this report.

No one provided significant professional assistance to the person signing this report.

The appraisal assignment was not based on a requested minimum valuation, a specific valuation or the approval of a loan.



Richard J. Provost, IFAS

HAZARDOUS MATERIALS/LIMITING CONDITIONS

Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicted on the assumption that there is no such materials on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

(1)

Deed

THIS INDENTURE made this 2nd day of May in the year Two Thousand Eight (2008) by and between:

CLEARFIELD BANK AND TRUST COMPANY,
party of the first part,

GRANTOR

-and-

HYMAN PROPERTIES, LLC,
party of the second part,

GRANTEE

WITNESSETH, That in consideration of **SEVENTY THOUSAND AND 00/100 ($70,000.00) DOLLARS**, in hand paid, the receipt whereof is hereby acknowledged, the said Grantor does hereby grant and convey to the said Grantee,

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF:

THIS DEED REGISTERED WITH
BOROUGH OF CLEARFIELD
Marian Hess
Borough Secretary

BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF:
BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, 90 feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, 90 feet to point in Southern line of Lot No. 24 and place of beginning. Being the eastern part of Lot No. 25 and a part of the northern half of Lot No. 26 in the plan of the Borough of Clearfield.

THE THIRD THEREOF:
BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

110 E. Market Street, Borough of Clearfield, County of Clearfield, Pennsylvania
PARCEL ID 4.1-K-8-216-37 & 4.1-K-8-216-[redacted]-89

BEING the same premises granted and conveyed to Clearfield Bank and Trust Company by deed of Chester A. Hawkins, High Sheriff of the County of Clearfield, dated and recorded on April 14, 2008 as Instrument Number 200805196 (Invoice No. 183697).

TOGETHER with all and singular the lot, buildings, improvements, 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 all the estate, right, title, interest, property, claim and demand whatsoever of the said Grantor, in law, equity or otherwise, howsoever, in and to the same and every part thereof.

TO HAVE AND TO HOLD the said lot, buildings, improvements, hereditaments and premises hereby granted, or mentioned, and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, to and for the only proper use and behoof of the said Grantee, its successors and assigns, **FOREVER**,

AND the said Grantor, for itself, its officers, shareholders, board of directors, successors and assigns, does by these presents covenant, promise and agree to and with the said Grantee, its members, successors and assigns, by these presents that it, the said Grantor, its successors and assigns, by these presents that it, the said Grantor, its successors and assigns, all and singular the hereditaments and premises herein above described and granted or mentioned, and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, and against all and every person or persons whomsoever lawfully claiming or to claim the same or any part thereof, by, from or under it or any of them,

AND the Grantor will SPECIALLY WARRANT and FOREVER DEFEND the property hereby conveyed.

NOTICE-THIS DOCUMENT MAY NOT/DOES NOT SELL, CONVEY, TRANSFER, INCLUDE OR INSURE THE TITLE TO THE COAL AND RIGHT OF SUPPORT UNDERNEATH THE SURFACE LAND DESCRIBED OR REFERRED TO HEREIN, AND THE OWNER OR OWNERS OF SUCH COAL MAY HAVE/HAVE THE COMPLETE LEGAL RIGHT TO REMOVE ALL OF SUCH COAL AND, IN THAT CONNECTION, DAMAGE MAY RESULT TO THE SURFACE OF THE LAND AND ANY HOUSE, BUILDING, OR OTHER STRUCTURE ON OR IN SUCH LAND. THE INCLUSION OF THIS NOTICE DOES NOT ENLARGE, RESTRICT OR MODIFY ANY LEGAL RIGHTS OR ESTATES OTHERWISE CREATED, TRANSFERRED, EXCEPTED OR RESERVED BY THIS INSTRUMENT. (This notice set forth in the manner provided in Section 1 of the Act of July 17, 1957, P.L. 984, as amended, and is not intended as notice of unrecorded instruments, if any.)

NOTICE: THE UNDERSIGNED, AS EVIDENCED BY THE SIGNATURE(S) TO THIS NOTICE AND THE ACCEPTANCE AND RECORDING OF THIS DEED, (IS, ARE) FULLY COGNIZANT OF THE FACT THAT THE UNDERSIGNED MAY NOT BE OBTAINING THE RIGHT OF PROTECTION AGAINST SUBSIDENCE, AS TO THE PROPERTY HEREIN CONVEYED, RESULTING FROM COAL MINING OPERATIONS AND THAT THE PURCHASED PROPERTY, HEREIN CONVEYED, MAY BE PROTECTED FROM DAMAGE DUE TO MINE SUBSIDENCE BY A PRIVATE CONTRACT WITH THE OWNERS OF THE ECONOMIC INTEREST IN THE COAL. THIS NOTICE IS INSERTED HEREIN TO COMPLY WITH THE BITUMINOUS MINE SUBSIDENCE AND LAND CONSERVATION ACT OF 1966.

WITNESS:

_____

_____
Grantee

Mortgage Foreclosures

Date		Judge
2/23/2007	New Case Filed.	No Judge
	Filing: Civil Action-Complaint in Mortgage Foreclosure, situated in the First Ward of the Borough of Clearfield. Paid by: McGrath and Associates, P.C. Receipt number: 1917761 Dated: 02/23/2007 Amount: $85.00 (Check) 8C(shff.	No Judge
5/9/2007	Petition to Direct Sheriff to File Return of Service, filed by s/ Catherine Martii Christopher, Esquire. No CC	No Judge
5/10/2007	Order, this 10th day of May, 2007, Ordered that the Sheriff of Clfd. Co. is directed to File return of service of the Complaint in Mortgage Foreclosure o Defendants and all Occupants of the mortgaged premises: and provide sucl returns of service to the Prothonotary of Clfd. Co. within 10 days of the date of this Order. By The Court, /s/ Fredric J. Ammerman, Pres. Judge. 2CC Atty. Christopher, 1CC Shff.	Fredric Joseph Ammerman
5/17/2007	Sheriff Return, February 23, 2007 at 11:30 am Served the within Complaint Mortgage Foreclosure on Andrew Batcho. February 26, 2007 at 11:26 at 11:26 am Served the within Complaint in Mortgage Foreclosure on Andrew G. Batcho. February 26, 2007 at 11:25 am Served the within Complaint in Mortgage Foreclosure on Tenant/Occupant. March 2, 2007 at 11:30 am Served the within Complaint in Mortgage Foreclosure on Tenant/Occupant. March 21, 2007 at 2:45 pm Served the within Complaint in Mortgage Foreclosure on tentant/Occupant. May 11, 2007 After diligent search I returned the within Complaint in Mortgage Foreclosure "NOT FOUND" as to Tenant/Occupant. February 26, 2007 at 11:25 am Served the within Complaint in Mortgage Foreclosure on Tenant/Occupant. May 11, 2007 After diligent search I returned the Complaint in Mortgage Foreclosure"NOT FOUND" as to Tenant/Occupant. So Answers, Chester A. Hawkins, Sheriff by s/Marilyn Hamm Shff Hawkins costs pd by McGrath $154.00	No Judge
5/25/2007	Filing: Praecipe For Default Judgment in Mortgage Foreclosure, Paid by: Christopher, Catherine Martin (attorney for Clearfield Bank & Trust Compan Receipt number: 1919146 Dated: 05/25/2007 Amount: $20.00 (Check) Judgment in favor of Plaintiff and against the Defendants, in the amount of $332,542.50. Filed by s/ Catherine Martin Christopher, Esquire. 1CC & Notice to Defs., Statement to Atty.	No Judge
6/5/2007	Filing: Praecipe for Writ of Execution Paid by: McGrath & Associates, P.C. Receipt number: 1919361 Dated: 6/12/2007 Amount: $20.00 (Check) Issued 6 writs to Sheriff.	No Judge
8/14/2007	Motion to Open Judgment, Amend Complaint, and amend Caption, filed by s Catherine Martin Christopher, Esquire. no CC	No Judge
8/24/2007	Rule Returnable, this 23rd day of August, 2007, upon consideration of the Motion to Open Judgment, Amend Complaint and Amend Caption, it is Ordered that Rule is issued upon the Defendant. Rule made returnable for Hearing the 29th day of Oct., 2007, at 9:00 a.m. Courtroom 2. By The Cour /s/ Paul E. Cherry, Judge. 3CC to Atty. for Service	Paul E. Cherry
8/28/2007	Praecipe for Expedited Disposition, filed by s/Catherine Martin Christopher, Esq. No CC	Paul E. Cherry

Clearfield Bank & Trust Company vs. Andrew Batcho, et al

Mortgage Foreclosures

Date		Judge
2/23/2007	New Case Filed.	No Judge
	Filing: Civil Action-Complaint in Mortgage Foreclosure, situated in the First Ward of the Borough of Clearfield. Paid by: McGrath and Associates, P.C. Receipt number: 1917761 Dated: 02/23/2007 Amount: $85.00 (Check) 8C(shff.	No Judge
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5/17/2007	Sheriff Return, February 23, 2007 at 11:30 am Served the within Complaint Mortgage Foreclosure on Andrew Batcho. February 26, 2007 at 11:26 at 11:26 am Served the within Complaint in Mortgage Foreclosure on Andrew G. Batcho. February 26, 2007 at 11:25 am Served the within Complaint in Mortgage Foreclosure on Tenant/Occupant. March 2, 2007 at 11:30 am Served the within Complaint in Mortgage Foreclosure on Tenant/Occupant. March 21, 2007 at 2:45 pm Served the within Complaint in Mortgage Foreclosure on tentant/Occupant. May 11, 2007 After diligent search I returned the within Complaint in Mortgage Foreclosure "NOT FOUND" as to Tenant/Occupant. February 26, 2007 at 11:25 am Served the within Complaint in Mortgage Foreclosure on Tenant/Occupant. May 11, 2007 After diligent search I returned the Complaint in Mortgage Foreclosure"NOT FOUND" as to Tenant/Occupant. So Answers, Chester A. Hawkins, Sheriff by s/Marilyn Hamm Shff Hawkins costs pd by McGrath $154.00	No Judge
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6/5/2007	Filing: Praecipe for Writ of Execution Paid by: McGrath & Associates, P.C. Receipt number: 1919361 Dated: 6/12/2007 Amount: $20.00 (Check) Issued 6 writs to Sheriff.	No Judge
8/14/2007	Motion to Open Judgment, Amend Complaint, and amend Caption, filed by s Catherine Martin Christopher, Esquire. no CC	No Judge
8/24/2007	Rule Returnable, this 23rd day of August, 2007, upon consideration of the Motion to Open Judgment, Amend Complaint and Amend Caption, it is Ordered that Rule is issued upon the Defendant. Rule made returnable for Hearing the 29th day of Oct., 2007, at 9:00 a.m. Courtroom 2. By The Cour /s/ Paul E. Cherry, Judge. 3CC to Atty. for Service	Paul E. Cherry
8/28/2007	Praecipe for Expedited Disposition, filed by s/Catherine Martin Christopher, Esq. No CC	Paul E. Cherry

Clearfield County Court of Common Pleas
ROA Report
Case: 2007-00275-CD
Current Judge: Paul E. Cherry
Clearfield Bank & Trust Company vs. Andrew Batcho, et al

Mortgage Foreclosures

Date		Judge
8/29/2007	Order, this 29th day of August, 2007, upon Plaintiff's Motion to Open Judgment, Amend Complaint, and Amend Caption, it is Ordered that: 1. The judgment in the within action is opened; 2. plaintiff may amend its complaint in Mortgage Foreclosure for the sole purpose of naming Linda L. Batcho as a Defendant in the within action; and 3. The caption of the within action is hereby amended to be: "Clearfield Bank & Trust Company, Plaintiff, vs. Andrew Batcho, andrew G. Batcho, an Linda L. Batcho, Defendants." By The Court, /s/ Paul E. Cherry, Judge. 2CC Atty. Christopher	Paul E. Cherry
9/10/2007	Amended Complaint in Mortgage Foreclosure, filed by s/ Caterine Martin Christopher, Esquire. 1CC Sheriff	Paul E. Cherry
10/3/2007	Petition to Direct Sheriff to File Return of Service, filed by s/ Catherine Marti Christopher, Esquire. No CC	Paul E. Cherry
10/4/2007	Affidavit of Service filed. That Andrew Batcho and Andrew G. Batcho were served with a true and correct copies of the Amended Complaint in Mortgag Foreclosure, filed by s/ Catherine Martin Christopher Esq. No CC.	Paul E. Cherry
10/5/2007	Order, filed cert. to Atty. & Sheriff NOW this 5th day of Oct., 2007. ORDERED that Sheriff shall file a return b 3:30 PM, Oct. 8th.	Paul E. Cherry
10/8/2007	Sheriff Return, Papers served on Defendant(s) Served amended complalint Linda L. Batcho on Sept. 13, 2007.. So Answers, Chester A. Hawkins, Sheriff by s/Marilyn Hamm	Paul E. Cherry
10/22/2007	Filing: Praecipe for Default Judgment in Mortgage Foreclosure as to Linda L Batcho, only. Paid by: Christopher, Catherine Martin (attorney for Clearfield Bank & Trust Company) Receipt number: 1921136 Dated: 10/22/2007 Amount: $20.00 (Check) Judgment entered in favor of the Plaintiff and against the defendant, LINDA BATCHO, ONLY in the amount of $356,263.97. Notice to deft-Linda L. Batcho and statement to Atty.	Paul E. Cherry
10/29/2007	Filing: Praecipe For Default Judgment Paid by: Christopher, Catherine Martin (attorney for Clearfield Bank & Trust Company) Receipt number: 1921226 Dated: 10/29/2007 Amount: $20.00 (Check) Default judgment in favor of Plaintiff and against Defendants Andrew Batcho and Andrew G. Batcho, ONLY, in the amount of: Count 1 - $216,166.04, Count 2 - $140,097.93; TOTAL - $356,263.97. Filed by s/ Catherine Martin Christopher, Esquire. 1CC & Notice to Defs., Statement to Atty.	Paul E. Cherry
11/5/2007	Filing: Writ of Execution In Mortgage Foreclosure, Paid by: Christopher, Catherine Martin (attorney for Clearfield Bank & Trust Company) Receipt number: 1921325 Dated: 11/05/2007 Amount: $20.00 (Check) Filed by s/ Catherine Martin Christopher, Esquire. 1CC & 6 Writs to Sheriff w/prop. description	Paul E. Cherry
1/10/2008	Petition to Direct Sheriff to File Returns of Service, filed by s/ Catherine Martin Christopher, Esquire. No CC	Paul E. Cherry
1/11/2008	Sheriff Return, filed Served Andrew Batcho on 12-17--07, Andrew G. Batcho on 11-29-07 and Linda L. Batcho on 11-29-07 copy of Writ of Exectution, Notice of Sale and copy of the Levy .	Paul E. Cherry

Mortgage Foreclosures

Date		Judge
8/29/2007	Order, this 29th day of August, 2007, upon Plaintiff's Motion to Open Judgment, Amend Complaint, and Amend Caption, it is Ordered that: 1. The judgment in the within action is opened; 2. plaintiff may amend its complaint in Mortgage Foreclosure for the sole purpose of naming Linda L. Batcho as a Defendant in the within action; and 3. The caption of the within action is hereby amended to be: "Clearfield Bank & Trust Company, Plaintiff, vs. Andrew Batcho, andrew G. Batcho, an Linda L. Batcho, Defendants." By The Court, /s/ Paul E. Cherry, Judge. 2CC Atty. Christopher	Paul E. Cherry
9/10/2007	Amended Complaint in Mortgage Foreclosure, filed by s/ Caterine Martin Christopher, Esquire. 1CC Sheriff	Paul E. Cherry
10/3/2007	Petition to Direct Sheriff to File Return of Service, filed by s/ Catherine Marti Christopher, Esquire. No CC	Paul E. Cherry
10/4/2007	Affidavit of Service filed. That Andrew Batcho and Andrew G. Batcho were served with a true and correct copies of the Amended Complaint in Mortgag Foreclosure, filed by s/ Catherine Martin Christopher Esq. No CC.	Paul E. Cherry
10/5/2007	Order, filed cert. to Atty. & Sheriff NOW this 5th day of Oct., 2007. ORDERED that Sheriff shall file a return b 3:30 PM, Oct. 8th.	Paul E. Cherry
10/8/2007	Sheriff Return, Papers served on Defendant(s) Served amended complalint Linda L. Batcho on Sept. 13, 2007.. So Answers, Chester A. Hawkins, Sheriff by s/Marilyn Hamm	Paul E. Cherry
10/22/2007	Filing: Praecipe for Default Judgment in Mortgage Foreclosure as to Linda L Batcho, only. Paid by: Christopher, Catherine Martin (attorney for Clearfield Bank & Trust Company) Receipt number: 1921136 Dated: 10/22/2007 Amount: $20.00 (Check) Judgment entered in favor of the Plaintiff and against the defendant, LINDA BATCHO, ONLY in the amount of $356,263.97. Notice to deft-Linda L. Batcho and statement to Atty.	Paul E. Cherry
10/29/2007	Filing: Praecipe For Default Judgment Paid by: Christopher, Catherine Martin (attorney for Clearfield Bank & Trust Company) Receipt number: 1921226 Dated: 10/29/2007 Amount: $20.00 (Check) Default judgment in favor of Plaintiff and against Defendants Andrew Batcho and Andrew G. Batcho, ONLY, in the amount of: Count 1 - $216,166.04, Count 2 - $140,097.93; TOTAL - $356,263.97. Filed by s/ Catherine Martin Christopher, Esquire. 1CC & Notice to Defs., Statement to Atty.	Paul E. Cherry
11/5/2007	Filing: Writ of Execution In Mortgage Foreclosure, Paid by: Christopher, Catherine Martin (attorney for Clearfield Bank & Trust Company) Receipt number: 1921325 Dated: 11/05/2007 Amount: $20.00 (Check) Filed by s/ Catherine Martin Christopher, Esquire. 1CC & 6 Writs to Sheriff w/prop. description	Paul E. Cherry
1/10/2008	Petition to Direct Sheriff to File Returns of Service, filed by s/ Catherine Martin Christopher, Esquire. No CC	Paul E. Cherry
1/11/2008	Sheriff Return, filed Served Andrew Batcho on 12-17--07, Andrew G. Batcho on 11-29-07 and Linda L. Batcho on 11-29-07 copy of Writ of Exectution, Notice of Sale and copy of the Levy .	Paul E. Cherry

Clearfield County Court of Common Pleas

ROA Report

Case: 2007-00275-CD

Current Judge: Paul E. Cherry

Clearfield Bank & Trust Company vs. Andrew Batcho, et al

Mortgage Foreclosures

Date		Judge
1/11/2008	Order, filed Cert. to Atty. and Sheriff NOW, this 10th day of January, 2007, Ordered for sheriff to file returns of service of the Notice of Sheriff's Sale and Provide such returns to Prothonotary.	Paul E. Cherry
1/14/2008	Sheriff Return, NOT SOLD So Answers, Chester A. Hawkins, Sheriff by s/Cynthia Butler-Aughenbaugh. Shff Hawkins costs pd by Atty. $213.92	Paul E. Cherry
1/24/2008	Pa. R.C.P. Rule 3129.2 (c) Affidavit of Service as to Defendants/Owners, Lienholders and Parties in Interest of Notice of Sheriff's Sale Of Real Estate filed by s/ Catherine Martin Christopher Esq. No CC.	Paul E. Cherry
4/14/2008	Sheriff Return, Sale Held: 2/1/2008; Date Deed filed: 04/14/2008 So Answers, Chester A. Hawkins, Sheriff by s/Cynthia Butler-Aughenbaugh. Shff Hawkins costs pd by Atty $2265.92	Paul E. Cherry
7/21/2008	Petition to Fix Fair Market Value of Real Estate, filed by s/ Alan F. Kirk, Esquire. 2CC Atty. Kirk	Paul E. Cherry
7/22/2008	Rule to Show Cause, this 22nd day of July, 2008, upon consideration of the verified Petition to Fix Fair Market Value of Real Estate, it is Ordered: 1. Defendants show cause before the Court on Sept. 5, 2008, at 11:00 a.m. in Courtroom 2, why the Petition to Fix Fair Market Value should not be granted. 2. Plaintiff shall cause copies of this Rule to Show Cause and the Petition to Fix Fair Market Value of Real Estate, to be served upon Defendants at least 20 days before the date of the hearing. by The Court, /s/ Paul E. Cherry, Judge. 3CC to Atty.	Paul E. Cherry
7/31/2008	Affidavit of Service filed. That on the 18th day of July 2008 a true and correc copy of the Petition to Fix Fair Market Value of Real Estate in the above matter was served via first class mail to Mr. Andrew G. Batcho, Ms. Linda L. Batcho and Mr. Andrew Batcho, filed by s/ Alan F. Kirk Esq. 1CC Atty.	Paul E. Cherry
	Affidavit of Service filed. That on the 29th day of July 2008 a true and correc copy of the Rule to Show Cause in the above matter was served via first class mail to Mr. Andrew G. Batcho, Ms. Linda L. Batcho and Mr. Andrew Batcho, filed by s/ Alan F. Kirk Esq. 1CC Atty.	Paul E. Cherry
8/21/2008	Reply and New Matter, filed by s/ Timothy E. Durant, Esquire. 3CC Atty.	Paul E. Cherry
8/29/2008	Defendants' Request for Continuance of Hearing to Fix Fair Market Value of Real Estate, filed by s. Timothy E. Durant Esq. 3CC Atty Durant.	Paul E. Cherry
9/2/2008	Continuance and Rule to Show Cause, this 2nd day of Sept., 2008, the Hearing scheduled for Sept. 5, 2008 at 11:00 a.m. in Courtroom 2 is continued to Oct. 24, 2008 at 1:30 p.m. in Courtroom 2. Defendant shall cause copies of this Continuance and Rule to be served on Plaintiff forthwith. By The Court, /s/ Paul E. Cherry, Judge. 3CC Atty. Durant	Paul E. Cherry
10/16/2008	Response to New Matter, filed by s/ Alan F. Kirk Esq. No CC.	Paul E. Cherry
10/30/2008	Order, this 24th day of Oct., 2008, following hearing on the Petition to Set Fair Market Value, it is Ordered that counsel provide the Court with propose Findings of Fact, Conclusions of Law and proposal for fair market value with no more than 20 days from today's date. Counsel may, if they choose, file a responsive brief within no more than 10 days thereafter. By The Court, /s/ Paul E. Cherry, Judge. 1CC Attys; Christopher, Kirk, and Durant; 1CC Andrew Batcho - 110 E. Pauline Dr., Clearfield, PA 16830	Paul E. Cherry

Mortgage Foreclosures

Date		Judge
1/11/2008	Order, filed Cert. to Atty. and Sheriff NOW, this 10th day of January, 2007, Ordered for sheriff to file returns of service of the Notice of Sheriff's Sale and Provide such returns to Prothonotary.	Paul E. Cherry
1/14/2008	Sheriff Return, NOT SOLD So Answers, Chester A. Hawkins, Sheriff by s/Cynthia Butler-Aughenbaugh. Shff Hawkins costs pd by Atty. $213.92	Paul E. Cherry
1/24/2008	Pa. R.C.P. Rule 3129.2 (c) Affidavit of Service as to Defendants/Owners, Lienholders and Parties in Interest of Notice of Sheriff's Sale Of Real Estate filed by s/ Catherine Martin Christopher Esq. No CC.	Paul E. Cherry
4/14/2008	Sheriff Return, Sale Held: 2/1/2008; Date Deed filed: 04/14/2008 So Answers, Chester A. Hawkins, Sheriff by s/Cynthia Butler-Aughenbaugh. Shff Hawkins costs pd by Atty $2265.92	Paul E. Cherry
7/21/2008	Petition to Fix Fair Market Value of Real Estate, filed by s/ Alan F. Kirk, Esquire. 2CC Atty. Kirk	Paul E. Cherry
7/22/2008	Rule to Show Cause, this 22nd day of July, 2008, upon consideration of the verified Petition to Fix Fair Market Value of Real Estate, it is Ordered: 1. Defendants show cause before the Court on Sept. 5, 2008, at 11:00 a.m. in Courtroom 2, why the Petition to Fix Fair Market Value should not be granted. 2. Plaintiff shall cause copies of this Rule to Show Cause and the Petition to Fix Fair Market Value of Real Estate, to be served upon Defendants at least 20 days before the date of the hearing by The Court, /s/ Paul E. Cherry, Judge. 3CC to Atty.	Paul E. Cherry
7/31/2008	Affidavit of Service filed: That on the 18th day of July 2008 a true and correc copy of the Petition to Fix Fair Market Value of Real Estate in the above matter was served via first class mail to Mr. Andrew G. Batcho, Ms. Linda L. Batcho and Mr. Andrew Batcho, filed by s/ Alan F. Kirk Esq. 1CC Atty.	Paul E. Cherry
	Affidavit of Service filed: That on the 29th day of July 2008 a true and correc copy of the Rule to Show Cause in the above matter was served via first class mail to Mr. Andrew G. Batcho, Ms. Linda L. Batcho and Mr. Andrew Batcho, filed by s/ Alan F. Kirk, Esq. 1CC Atty.	Paul E. Cherry
8/21/2008	Reply and New Matter, filed by s/ Timothy E. Durant, Esquire. 3CC Atty.	Paul E. Cherry
8/29/2008	Defendants' Request for Continuance of Hearing to Fix Fair Market Value of Real Estate, filed by s. Timothy E. Durant Esq. 3CC Atty Durant.	Paul E. Cherry
9/2/2008	Continuance and Rule to Show Cause, this 2nd day of Sept., 2008, the Hearing scheduled for Sept. 5, 2008 at 11:00 a.m. in Courtroom 2 is continued to Oct. 24, 2008 at 1:30 p.m. in Courtroom 2. Defendant shall cause copies of this Continuance and Rule to be served on Plaintiff forthwith. By The Court, /s/ Paul E. Cherry, Judge. 3CC Atty. Durant	Paul E. Cherry
10/16/2008	Response to New Matter, filed by s/ Alan F. Kirk Esq. No CC.	Paul E. Cherry
10/30/2008	Order, this 24th day of Oct., 2008, following hearing on the Petition to Set Fair Market Value, it is Ordered that counsel provide the Court with propose Findings of Fact, Conclusions of Law and proposal for fair market value with no more than 20 days from today's date. Counsel may, if they choose, file a responsive brief within no more than 10 days thereafter. By The Court, /s/ Paul E. Cherry, Judge. 1CC Attys; Christopher, Kirk, and Durant; 1CC Andrew Batcho - 110 E. Pauline Dr., Clearfield, PA 16830	Paul E. Cherry

Clearfield County Court of Common Pleas
ROA Report
Case: 2007-00275-CD
Current Judge: Paul E. Cherry
Clearfield Bank & Trust Company vs. Andrew Batcho, et al

Mortgage Foreclosures

Date		Judge
11/4/2008	Filing: Partial Release Paid by: Clearfield Bank & Trust Company (plaintiff) Receipt number: 1926641 Dated: 11/4/2008 Amount: $7.00 (Check) For: Clearfield Bank & Trust Company (plaintiff). Partial Release of pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clfd. Co. Penna. (see original). Filed by s/ William E. Wood, Chairman, Clfd. Bank and Trust Co. No CC	Paul E. Cherry
11/17/2008	Affidavit of Service filed. That on November 17, 2008 deposit in the United States mail a true and correct copy of the Proposed Findings of Fact and Conclusions of Law pertaining to the Petition to Fix Fair Market Value of Real Estate filed on behalf of Respondents and Order was sent to Alan F. Kirk Esq., filed by s/ Timothy E. Durant Esq. No CC.	Paul E. Cherry
1/15/2009	Order, this 15th day of Jan. 2009, a Hearing if scheduled to establish the "fa market value" of the relevant property at the time of sale to Hyman Properties, on or about May 2, 2008. A hearing will be scheduled on the 4th day of Feb., 2009 at 9:00 a.m. in courtroom 2. By The Court, /s/ Paul E. Cherry, Judge. 1CC Attys: Christopher, Kirk, Durant; 1CC Andrew Batcho - 110 East Pauline Dr., Clfd, PA 16830	Paul E. Cherry
2/3/2009	Request for Continuance, filed by s/ Timothy E. Durant, Esquire. 3CC atty. Durant	Paul E. Cherry
	Continuance and Rule to Show Cause, this 3rd day of Feb., 2009, the Hearing scheduled for Feb. 4, 2009 at 9:00 a.m. in Courtroom 2 is continue to April 9, 2009 at 9:00 a.m. in Courtroom 2. At which date and time Def. shall show cause why the Petition to Fix Fair Market Value should not be granted. Defendant shall cause copies of this Continuance and Rule to Show Cause to be served on Plaintiff forthwith. By the Court, /s/ Paul E. Cherry, Judge. 3CC Atty. Durant	Paul E. Cherry

4-9-09 Order 4.9.09 FAXED
(~~not~~ in file as of 6-10-09)

Mortgage Foreclosures

Date		Judge
11/4/2008	Filing: Partial Release Paid by: Clearfield Bank & Trust Company (plaintiff) Receipt number: 1926641 Dated: 11/4/2008 Amount: $7.00 (Check) For: Clearfield Bank & Trust Company (plaintiff). Partial Release of pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clfd. Co. Penna. (see original). Filed by s/ William E. Wood, Chairman, Clfd. Bank and Trust Co. No CC	Paul E. Cherry

11-17-08 Affidavit of Service

11-15-09 Order, dated 1-15-09

2-3-09 Request for Continuance

2-3-09 Continuance + Rule

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

CIVIL ACTION - COMPLAINT IN MORTGAGE FORECLOSURE

I hereby certify that the address of the Plaintiff is:
11 N. Second Street, P.O. Box 171
Clearfield, PA 16830

and the last known address of the Defendant Andrew Batcho is:
110 East Pauline Drive,
Clearfield, PA 16830

and the last known address of the Defendant Andrew G. Batcho:
45 Rocky Bend Rd.
Clearfield, PA 16830

and the location of the property is:
110 East Market Street,
Clearfield, PA 16830

McGrath & Associates, P.C.

CMChristopher
Attorneys for Plaintiff

FILED
FEB 23 2007
William A. Shaw
Prothonotary/Clerk of Courts

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

Atty pd. 85.00
10:37 BK
8 CC Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.:

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

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 SHOULD 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
Second & Market Streets
Clearfield, PA 16830
(814) 765-2641, Ext. 50-51

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.:

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

CIVIL ACTION - COMPLAINT IN MORTGAGE FORECLOSURE

NOW COMES Plaintiff, Clearfield Bank & Trust Company, by and through its attorneys, McGrath & Associates, P.C., and files this Complaint in Mortgage Foreclosure as follows:

1. Plaintiff, Clearfield Bank & Trust Company, is a financial institution with its principal place of business located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830 (hereinafter referred to as "Plaintiff").

2. Defendant Andrew Batcho is an individual with a last known address of 110 East Pauline Drive, Clearfield, Pennsylvania 16830.

3. Defendant Andrew G. Batcho is an individual with a last known address of 45 Rocky Bend Road, Clearfield, Pennsylvania 16830 (Defendant Andrew Batcho and Defendant Andrew G. Batcho are sometimes hereafter referred to collectively as "Defendants").

COUNT I
$265,000.00 LOAN

4. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

5. On or about January 26, 1999, Defendant Andrew Batcho, Defendant Andrew G. Batcho, and Batcho Business Machines, Inc. obtained a loan from Plaintiff in the amount of $265,000.00 (hereinafter referred to as the "First Loan"). The First Loan is evidenced by a certain Promissory Note dated January 26, 1999, executed by the Defendants (hereinafter referred to as the "First Note"). A true and correct copy of said First Note is marked **Exhibit "A"**, and attached hereto and made a part hereof.

6. In order to induce Plaintiff to make the First Loan, Defendants became absolute and unconditional guarantors and sureties for the First Loan by executing a Guaranty and Suretyship Agreement ("Guaranty") dated January 26, 1999, a true and correct copy of which is marked **Exhibit "B"**, and attached hereto and made a part hereof.

7. On or about January 26, 1999, as security for repayment of the debt evidenced by the First Note and Guaranty, Defendants made, executed and delivered to Plaintiff a Mortgage in the original principal amount of $265,000.00 (hereinafter referred to as the "First Mortgage") on the premises commonly known as 110 East Market Street, Clearfield, Pennsylvania 16830 (hereinafter referred to as the "Mortgaged Premises"). Said First Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on January 29, 1999, at Instrument No. 199901341. A true and correct copy of the First Mortgage, containing a description of the Mortgaged Premises, is marked **Exhibit "C"**, and attached hereto and made a part hereof.

8. Defendant Andrew Batcho and Defendant Andrew G. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

9. The First Note and First Mortgage are in default as the result of the Defendants' failure to make the monthly installments of principal and interest when due.

10. Demand for payment has been made upon the Defendants by Plaintiff; however,

Defendants have failed or refused to pay.

11. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

12. The amount due and owing Plaintiff by Defendants under the First Note and First Mortgage as of January 26, 2007 is as follows:

Principal Balance	$190,217.35
Interest as of 1/26/07	$ 4,449.76
Late Fees as of 1/26/07	$ 822.98
Total	**$195,490.09**

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and First Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of **$195,490.09**, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and First Mortgage and for foreclosure and sale of the Mortgaged Premises.

COUNT II
$185,000.00 LOAN

13. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

14. On or about October 25, 2002, Defendant Andrew G. Batcho and his wife, Linda L.

Batcho, together t/d/b/a Batcho Office Systems, obtained a loan from Plaintiff in the amount of $185,000.00 (hereinafter referred to as the "Second Loan"). The Second Loan is evidenced by a certain Note dated October 25, 2002, executed by Defendant Andrew G. Batcho and Linda L. Batcho (hereinafter referred to as the "Second Note"). A true and correct copy of said Second Note is marked **Exhibit "D"**, and attached hereto and made a part hereof.

15. The Second Note is secured by an Open-End Mortgage made, executed and delivered to Plaintiff by Defendant Andrew Batcho and Defendant Andrew G. Batcho on May 9, 2000 in the original principal amount not to exceed $200,000.00 (hereinafter referred to as the "Second Mortgage") also on the Mortgaged Premises. Said Second Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on May 15, 2000, at Instrument No. 200006678. A true and correct copy of the Second Mortgage, containing a description of the Mortgaged Premises, is marked **Exhibit "E"**, and attached hereto and made a part hereof.

16. Defendant Andrew Batcho and Defendant Andrew G. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

17. The Second Note and Second Mortgage are in default as the result of the said Defendants' failure to make the monthly installments of principal and interest when due.

18. Demand for payment has been made upon the Defendants by Plaintiff; however, Defendants have failed or refused to pay.

19. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

20. The amount due and owing Plaintiff by Defendants under the Note and Mortgage as of January 26, 2007 is as follows:

Principal Balance	$124,590.26
Interest as of 1/26/07	$ 733.41
Late Fees as of 1/26/07	$ 110.32
Total	**$125,433.99**

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of **$125,433.99**, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage and for foreclosure and sale of the Mortgaged Premises.

SUMMARY OF COUNTS I AND II

WHEREFORE, Plaintiff demands Judgment in Mortgage Foreclosure in the aggregate amount of **$320,924.08** plus interest from January 26, 2007 at the contractual rate(s), additional late charges, escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and Second Note and for foreclosure and sale of the Mortgaged Premises.

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: 412-281-4333
Facsimile: 412-281-2141

$ 265,000.00 **ROMI RY NOTE** Loan # 0412640 Dated January 26 19 99

Debtor Andrew Batcho of 110 E. Pauline Drive, Clearfield, PA 16830

Debtor Andrew G. Batcho of RR 2, Box 264A, Clearfield, PA 16830

FOR VALUE RECEIVED AND INTENDING TO BE LEGALLY BOUND HEREBY, the person or persons who sign as debtor below (each jointly and severally liable if more than one person and hereinafter referred to as "Debtor"), promises to pay to the order of ("Lender"):

CLEARFIELD BANK & TRUST CO., Clearfield, Pennsylvania 16830

at any of Lender's branch offices,

the Principal sum of --Two Hundred Sixty Five Thousand and 00/100---------- Dollars in lawful money of the United States, to be paid as follows:

Principal is payable on Demand together with the accured interest then outstanding, but if no demand is made by Lender then: 60 monthly principal and interest installments of $2,300.40 commencing on the 26 day of February, 1999 and continuing on the 26 day of each month thereafter. Subsequent monthly principal and interest installments will be based on a variable interest rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. The remaining payment schedule will amortize the loan over the final 180 month term. Any increase or decrease in the amount of interest due caused by early or late payments will be reflected in the final installment, which will be modified accordingly. Interest from the date of this Note shall accrue on the unpaid Principal balance hereof at the rate of 8.50% will be fixed for the first five year time period only. Interest thereafter will be at a variable rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. Borrower and Lender may agree to fix the interest rate after the initial 5 year term for similar 5 year time periods.

and shall be payable monthly as billed. If a payment is made more than 15 days after its scheduled due date, a late charge of 5% of the payment amount or a minimum of $5.00 will be charged.

SECURITY INTEREST: As security for the prompt payment as and when due of all amounts due under this Note, including any renewals, extensions and/or modifications thereof, together with all other existing and future liabilities and obligations of Debtor, or any of them, to Lender whether absolute or contingent, of any nature whatsoever and out of whatever transactions arising (hereinafter collectively referred to as the "Liabilities"), in addition to any other security agreement or document granting Lender any rights in any of Obligor's ("Obligor", as used herein, shall include Debtor and all other persons liable, either absolutely or contingently, on the Liabilities, including endorsers, sureties and guarantors) property for the purpose of securing the Liabilities, Obligor acknowledges Lender's right of set-off and further hereby grants to Lender a lien and security interest in and to all property of Obligor, or any of them, which at any time Lender shall have in its possession, or which is in transit to it, including without limitation any balance or share belonging to Obligor, or any of them, of any deposit, agency, trust, escrow or other account or accounts with Lender and any other amounts which may be owing from time to time by Lender to Obligor, or any of them. Said lien and security interest shall be independent of Lender's right of set-off, which, if exercised, shall be deemed to occur at the time Lender first restricts access of Obligor to property in Lender's possession, although such set-off may be entered upon Lender's books and records at a later time.

☐ If checked, Debtor agrees that this Note is a renewal of the Promissory Note dated _____, 19____, and that, whether or not additional funds are advanced herewith, this Note is not intended to create a totally new debt. If Lender was given a purchase money or other security interest in connection with the prior Promissory Note, that security interest shall be retained by Lender in connection with this Note.

UNCONDITIONAL LIABILITY: Obligor's liability shall be unconditional and without regard to the liability of any other Obligor, and shall not be affected by any indulgence, extension of time, renewal, waiver or modification of this Note, or the release, substitution and/or addition of collateral security for this Note. Obligor consents to any and all extensions of time, renewals, waivers or modifications, as well as to the release, substitution or addition of Obligors and/or collateral security, without notice to Obligor and without affecting Obligor's liability hereunder or under the Liabilities.

This Note is entitled to the benefits of any loan agreement(s), surety and/or guaranty agreement(s), security agreement(s), mortgage(s), assignment(s), and/or other such loan documents (referred to as the "Loan Documents") issued in connection with the Liabilities, whether executed previously to or concurrently with, or to be executed subsequent to, this Note, and which may be amended, modified, renewed or substituted without affecting in any way the validity or enforceability of this Note.

EVENTS OF DEFAULT: Each of the following shall be an "Event of Default" hereunder: (1) the nonpayment when due, or if this is a demand obligation, upon demand, of any amount payable under this Note or of any amount when due under or on any of the Liabilities, or the failure of any Obligor to observe or perform any agreement of any nature whatsoever with Lender, including, but not limited to, those contained in the Loan Documents; (2) if any Obligor becomes insolvent or makes an assignment for the benefit of creditors, or if any petition is filed by or against any Obligor under any provision of any state or federal law or statute alleging that such Obligor is insolvent or unable to pay debts as they mature or under any provision of the Federal Bankruptcy Code; (3) the entry of any judgment against any Obligor or any of Obligor's property which remains unsatisfied for fifteen (15) days; (4) the issuing of any attachment, levy or garnishment against any property of any Obligor; (5) the occurrence of any substantial change in the financial condition of any Obligor which, in the sole, reasonable good faith judgment of Lender is materially adverse; (6) the sale of all or substantially all of the assets, or change in ownership, or the dissolution, liquidation, merger, consolidation or reorganization of any Obligor which is a corporation or partnership, without the express prior written consent of Lender; (7) the death, incarceration or adjudication of legal incompetence of any Obligor who is a natural person; (8) if any information or signature furnished to Lender by any Obligor at any time in connection with any of the Liabilities, or in connection with any guaranty or surety agreement applicable to any of the Liabilities, is false or incorrect; or (9) the failure of any Obligor to timely furnish to Lender such financial and other information as Lender may reasonably request or require.

LENDER'S RIGHTS UPON DEFAULT: Notwithstanding anything to the contrary contained herein or elsewhere or the fact that Debtor may be required to make Principal and/or interest payments from time to time, if the Note is payable upon demand, Lender may demand payment of all outstanding Principal and accrued interest at any time, whether or not an Event of Default shall have occurred. In any event, upon the occurrence of an Event of Default, Lender may do any or all of the following:

(1) accelerate the maturity of this Note and demand immediate payment of all outstanding Principal and accrued interest. Debtor agrees to pay interest at the rate provided in this Note on all such sums until Lender has actually received payment in full thereof, even if Lender has obtained judgment against Debtor thereof;

(2) pursuant to the Warrant of Attorney contained herein, confess judgment against Debtor, or any of them;

(3) exercise Lender's right of set-off and all of the rights, privileges and remedies of a secured party under Pennsylvania Uniform Commercial Code and all of its rights and remedies under any security agreement, pledge agreement, assignment, mortgage, power, this Note or any other note, or other agreement, instrument, document issued in connection with or arising out of any of the Liabilities, all of which remedies shall be cumulative and not alternative. The net proceeds of any collateral held by Lender as security for any of the Liabilities shall be applied first to the expenses of Lender in preparing the collateral for sale, selling and the like, including, without limitation, reasonable attorney's fees and expenses incurred by Lender (including fees and expenses of any litigation incident to any of the foregoing), and second, in such order, as Lender may, in its discretion, elect, to the complete satisfaction of all of the Liabilities together with all interest thereon. Obligor waives and releases any right to require Lender to collect any of the Liabilities to Lender from any or all collateral under any theory of marshalling of assets or otherwise, and specifically authorizes Lender to apply any collateral in which Obligor has any right, title or interest against any of the Obligor's Liabilities to Lender in any manner that Lender may determine.

(4) Upon five (5) days written notice to Debtor, begin accruing interest, in addition to the interest provided above, if any, at a rate not to exceed four percent (4%) per annum on the unpaid Principal balance; provided, however, that no interest shall accrue hereunder in excess of the maximum amount of interest then allowed by law. Debtor agrees to pay such accrued interest upon demand.

WARRANT OF ATTORNEY: Debtor, and each of them if more than one, hereby irrevocably authorizes and empowers any Attorney or any Clerk of any court of record prior to, upon or after the occurrence of any Event of Default, as specified above, to appear for and CONFESS JUDGMENT against Debtor, or any of them, (a) for such sums as are due and/or may become due on the Liabilities, and/or (b) in any action of replevin instituted by Lender to obtain possession of any collateral securing this Note or securing any of the Liabilities, in either case with or without declaration, with costs of suit, without stay of execution and with an amount not to exceed fifteen percent (15%) of the unpaid principal amount of such judgment, but not less than One Thousand Dollars ($1,000.00), added for attorney's collection fees. Debtor: (1) waives the right of inquisition on any real estate levied on, voluntarily condemns the same, authorizes the Prothonotary or Clerk to enter upon the Writ of Execution said voluntary condemnation and agrees that said real estate may be sold on a Writ of Execution; (2) to the extent permitted by law, waives and releases all relief from all appraisement, stay, exemption or appeal laws of any state now in force or hereafter enacted; and (3) releases all errors in such proceedings. A copy of this Note, verified by affidavit by or on behalf of Lender shall have been filed in such action, if shall be necessary to file the original Note as a Warrant of Attorney. The authority and power to appear for and enter judgment against Debtor shall not be exhausted by the initial exercise thereof, and the same may be exercised from time to time, as often as Lender shall deem necessary and desirable, and this Note shall be a sufficient Warrant therefore. Lender may enter one or more judgments in the same or different counties for all or part of the Liabilities, without regard to whether judgment has been entered on more than one occasion for the same Liabilities. In the event any judgment entered against Debtor hereunder is stricken or opened upon application by or on Debtor's behalf for any reason whatsoever, Lender is hereby authorized and empowered to appear for and confess Judgment against Debtor or any of them; subject, however, to the limitation that any subsequent entry or entries of judgment by Lender may only be done to cure any errors in or for proceedings only and to the extent that such errors are subject to cure in the later proceedings.

THE PROVISIONS ON THE REVERSE SIDE ARE PART OF THIS NOTE.

Debtor has duly executed this Note the day and year first above written and has hereunto set Debtor's hand and seal.

(INDIVIDUAL DEBTOR(S) SIGN BELOW)

Andrew Batcho (SEAL)
Name Andrew Batcho

Andrew G. Batcho (SEAL)
Name Andrew G. Batcho

(SEAL)
Name

(CORPORATION OR PARTNERSHIP DEBTOR(S) SIGN BELOW)

Batcho Blasting Machine
Name of Corporation or Partnership

By _____
Name and Title President

Attest: Andrew Batcho (CORPORATE SEAL)
Name and Title

BANCONSUMER FORM PA 170 (Rev. 12/85)

©1985 BANCONSUMER SERVICE

EXHIBIT A

tabbies

PREPAYMENTS: Unless otherwise agreed to in writing by Debtor, this Note may be prepaid in whole or in part, at any time without penalty. However, if the Principal of this Note is repayable in installments, any such prepayments shall be applied first to accrued interest to the date of prepayment and then on account of the last remaining unpaid Principal payment to become due, and the number of installments due hereunder shall be correspondingly reduced. No such prepayments shall reduce the amounts of the scheduled installments nor relieve Debtor from paying a scheduled installment on each installment payment date until all Principal due together with accrued interest thereon has been paid in full.

DISBURSEMENT OF PROCEEDS: Each Debtor hereby represents and warrants to Lender that the Principal of this Note will be used solely for business or commercial purposes and agrees that any disbursement of the Principal of this Note, or any portion thereof, to any one or more Debtors, shall conclusively be deemed to constitute disbursement of such Principal to and for the benefit of all Debtors.

RIGHT TO COMPLETE NOTE: Lender may at any time and from time to time, without notice to any Obligor: (1) date this Note as of the date when the loan evidenced hereby was made; (2) complete any blank spaces according to the terms upon which Lender has granted such loan; and (3) cause the signature of one or more persons to be added as additional Debtors without in any way affecting or limiting the liability of the existing Obligors to Lender.

MISCELLANEOUS: Debtor hereby waives protest, notice of protest, presentment, dishonor, notice of dishonor and demand. Debtor hereby waives and releases all errors, defects and imperfections in any proceeding instituted by Lender under the terms of this Note. Debtor agrees to reimburse Lender for all costs, including court costs and reasonable attorney's fees of 15% (but in no event less than $1,000) of the total amount due hereunder, incurred by Lender in connection with the collection and enforcement hereof. If this Note bears interest at a rate based on the reference rate designated by Lender or others from time to time as the Prime Rate, Base Rate, or otherwise, or the Discount Rate in effect from time to time as set by the Federal Reserve Bank in whose district the Lender is located, changes in the rate of interest hereon shall become effective on the days on which such reference rate changes or that Federal Reserve Bank announces changes in its Discount Rate, as applicable. The rights and privileges of Lender under this Note shall inure to the benefit of its successors and assigns. All representations, warranties and agreements of Obligor made in connection with this Note shall bind Obligor's personal representatives, heirs, successors and assigns. If any provision of this Note shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Note shall be construed as if such invalid or unenforceable provision had never been contained herein. The waiver of any Event of Default or the failure of Lender to exercise any right or remedy to which it may be entitled shall not be deemed a waiver of any subsequent Event of Default or of Lender's right to exercise that or any other right or remedy to which Lender is entitled. This Note has been delivered to and accepted by Lender in and shall be governed by the laws of the Commonwealth of Pennsylvania, unless Federal law otherwise applies. The parties agree to the jurisdiction of the federal and state courts located in Pennsylvania in connection with any matter arising hereunder, including the collection and enforcement hereof.

GUARANTY AND SURETYSHIP AGREEMENT

WHEREAS, **Andrew Batcho and Andrew G. Batcho**, (hereinafter called "Borrower") desires to transact business with and to obtain credit or a continuation or renewal of credit from **Clearfield Bank & Trust Company** (hereinafter called "Bank"); and

WHEREAS, Bank is unwilling to extend or continue credit or any renewal thereof to Borrower without this Guaranty;

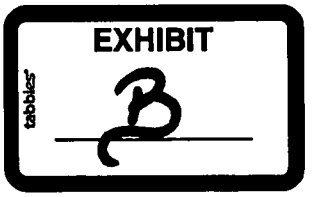
NOW, THEREFORE, in order to induce Bank to extend, continue, or renew credit to Borrower, and in consideration of the premises and the sum of $1.00 and of other good and valuable consideration, the undersigned, as surety, subject to the limitation, if any, hereinafter set forth in Paragraph 1, hereby absolutely and unconditionally guarantees to Bank prompt payment when due and at all times thereafter of any and all existing and future indebtedness and liability of every kind, nature and character (including all renewals, extensions and modifications thereof) from Borrower to Bank, howsoever and whensoever created or arising or evidenced or acquired.

1. The amount of the undersigned's liability hereunder shall be $ 265,000.00. The undersigned agrees that the amount of Borrower's liabilities to Bank may from time to time exceed the undersigned's liability hereunder without in any way affecting or impairing the liability of the undersigned hereunder.

2. This Guaranty is made and shall continue as to any and all indebtedness and liability of Borrower to Bank incurred or arising without regard to collateral or security or guaranties or other obligers, if any, or to the validity or effectiveness of any and all thereof; and any and all such collateral and security and guaranties and other obligers, if any, may from time to time without notice to, or consent of the undersigned, be sold, released, surrendered, exchanged, settled, compromised, waived, subordinated or modified, with or without consideration, on such terms or conditions as may be acceptable to Bank, without in any manner affecting or impairing the liability of the undersigned hereunder. The termination of this Guaranty, in the manner aforesaid, shall not relieve the undersigned from liability upon any indebtedness or liability of Borrower existing at the time of such termination.

3. The undersigned's liability hereunder is several and is independent of any other guaranties at any time in effect with respect to all or any part of the indebtedness or liability of Borrower to Bank, and may be enforced regardless of the existence of any such other guaranties. This is an agreement of suretyship as well as of guaranty, and without being required to proceed first against Borrower or any other person or entity, or against any collateral or other security for Borrower's obligations to Lender, Lender may proceed directly against the undersigned whenever Borrower fails to make any payment when due, or otherwise fails to perform any obligation now or hereafter owed to Bank.

4. The undersigned hereby waives all notices of any character whatsoever with respect to this Guaranty and Borrower's obligations or liabilities to Bank including, but not limited to: notice of acceptance hereof; notice of the creation, existence, amendment, modification,



waiver, renewal, extension or acquisition of any obligation or liability hereby guaranteed; notice of any adverse change in Borrower's financial condition of which Bank acquires knowledge or of any other fact affecting the undersigned's risk hereunder; and notice of default by Borrower or any other guarantor of Borrower's obligations or liabilities. The undersigned further waives presentment, demand, protest, and notice thereof as to any instrument representing indebtedness covered by this Guaranty, as well as any right to require Bank to sue or otherwise enforce payment thereof. In addition, the undersigned waives the benefit of all laws now or hereafter in effect in any way limiting or restricting the liability of the undersigned hereunder and waives all defenses whatsoever to undersigned's liability hereunder other than payment.

5. If any of Borrower's obligations or liabilities to Bank are not duly performed, including the prompt payment when due of any amount payable thereunder, and if Bank is prevented from accelerating payment thereunder, (whether because of bankruptcy, insolvency, or reorganization or any other reason) all of Borrower's liabilities to Bank shall, at Bank's option, be deemed to be forthwith due and payable for the purposes of this Guaranty and the liability of the undersigned hereunder.

6. In addition to all other liability of the undersigned hereunder and notwithstanding the limit, if any, set forth in Paragraph 1 hereof, the undersigned also agrees to pay to Bank on demand all costs and expenses (including reasonable attorney's fees and legal expenses) which may be incurred in the enforcement of the Borrower's liabilities to Bank or the liability of the undersigned hereunder.

7. The undersigned hereby authorizes and empowers any Prothonotary, Clerk or Attorney of any Court of Record prior to, upon or after the occurrence of any Event of Default, as specified above, to appear for and confess judgment against the undersigned in favor of Bank, its successors or assigns, for the sum set forth in Paragraph 1 hereof, with or without declaration filed, with interest and costs, release of error, without stay of execution and with reasonable attorney's fees; and the undersigned further authorizes the immediate issuing of an appropriate writ of execution upon which real or personal property may be sold without delay as provided by law or the rules of civil procedure governing the enforcement of judgments; and the undersigned also waives the right of inquisition on any real estate that may be levied upon to collect the amount due under a judgment obtained by virtue hereof, and undersigned does hereby voluntarily condemn the same and hereby waives and releases all relief from any and all appraisement, stay, exemption or homestead laws of any state, now in force, or hereafter passed, and any right to except to, strike off, open or appeal from the judgment so entered; and if a true copy of this instrument shall be filed in any such action, it shall not be necessary to file the original as a warrant of attorney, any rule of court to the contrary notwithstanding.

No single exercise of the foregoing warrant and power to confess judgment shall be deemed to exhaust the power, but it shall continue undiminished and may be exercised from time to time as often as Bank shall elect, until all sums payable by the undersigned have been paid in full.

8. To secure all obligations of the undersigned hereunder, Bank shall have a lien upon and security interest in and may, without demand or notice of any kind, at any time and from time to time when any amount shall be due and payable by such undersigned hereunder, appropriate and apply toward the payment of such amount, in such order of application as Bank may elect; any and all balances, credits, deposits, accounts or moneys of or in the name of undersigned now or hereafter with Bank, whether held in a general or special account for deposit or for safekeeping or otherwise, and any and all property of every kind or description of or in the name of such undersigned now or hereafter, for any reason or purpose whatsoever, in the possession or control of Bank.

9. The liability of the undersigned under this Guaranty shall be unconditional and irrevocable, irrespective of (a) the genuineness, validity or enforceability of any document executed and delivered to Bank by Borrower to evidence or secure any obligation or liability of Borrower to Bank, (b) any limitation of liability of Borrower contained in any such document, (c) the existence of any collateral or other security given to secure such obligations and liabilities, (d) impossibility or the illegality of performance on the part of Borrower of its obligations or liabilities to Bank, (e) the sale or transfer of all or any portion of the collateral or other security for such obligations or liabilities, (f) any defense that may arise by reason of the incapacity or lack of authority of Borrower, (g) the failure of Bank to file or enforce a claim against the estate of Borrower in any bankruptcy or other proceeding; or (h) any other circumstance, occurrence or condition, whether similar or dissimilar to any of the foregoing, which might otherwise constitute a legal or equitable defense, discharge or release of a guarantor or surety. If Borrower defaults, this Guaranty shall remain in full force and effect until all sums due Bank by Borrower have been indefeasibly paid in full to Lender and until all such sums received by Lender are not subject to rescission, or repayment upon the bankruptcy, insolvency, or reorganization of Borrower.

10. If the undersigned consists of more than one person, such persons shall be jointly and severally liable hereunder. This Guaranty shall inure to the benefit of Bank, its successors, assigns, endorsees and any person or entity, to whom or which Bank may grant any interest in Borrower's obligations or liabilities to Bank or any of them, and shall be binding upon the undersigned and the undersigned's executors, administrators, heirs, successors, assigns and other legal representatives. The undersigned intends this to be a sealed instrument and to be legally bound hereby.

WITNESS the due execution hereof this 26th day of January, 1999.

ATTEST OR WITNESS:

Batcho Business Machines, Inc.

BY: _____ (SEAL)

_____ (SEAL)

ADDRESS: 110 E. Market St., Clearfield, PA 16830

MORTGAGE

This Mortgage is made this 26th day of January, 19 99 between the Mortgagor Andrew Batcho & Andrew G. Batcho

(herein "Borrower") and the MORTGAGEE, CLEARFIELD BANK & TRUST COMPANY, a corporation organized and existing under the law of Pennsylvania, whose address is 11 North Second Street, Clearfield, PA 16830 (herein "Lender").

WHEREAS, Borrower and Lender have executed a Promissory Note concurrent herewith providing for a loan to Borrower from Lender of the Principal sum of Two Hundred Sixty Five Thousand ($265,000.00);

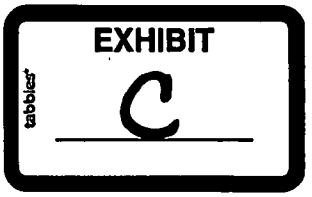
WHEREAS, said loan is also secured by a Promissory Note with Borrower as maker and Lender as holder, of even date herewith (herein "Note") providing for 240 installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on 1/26/2019.

NOW THEREFORE, as security for the repayment of the indebtedness evidenced by the Note and the Loan and Security Agreement, with interest thereon, and all renewals, extensions and modification; the payment of all other sums, with interest, advanced under paragraph 6 hereof to protect the security of this mortgage; and the performance of Borrower's covenants and agreements under this Mortgage, the Note and the Loan and Security Agreement; and for the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 22 hereof (herein "future advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Clearfield, State of Pennsylvania:

which has the address of 110 East Market Street (Street)
Clearfield, Pennsylvania 16830
(City) (Zip Code)
(herein "Property Addresses");

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

TOGETHER WITH all leases and other agreements affecting the use and occupancy of the Property now or hereafter entered into, all licenses and agreements relating to the operation or maintenance of the Property and all rights of Borrower to payment under any such agreement, which is at the time not yet earned by performance (all such leases, licenses and other agreements and such rights thereunder are hereinafter referred to individually as a "Contract Right" or a "lease" and collectively as "Contract Rights or Leases");



PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

TOGETHER WITH all rents, receipts, deposits, issues, profits and other income of any and all kinds received or receivable and due or to become due from the sale or lease of all or a portion of the Property (all of such proceeds, receipts and income are hereinafter collectively referred to as the "Income and Rents" and all such rights are hereinafter referred to individually as an "Account Receivable" and collectively as "Accounts Receivable");

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record listed in the Certificate of title delivered to Lender by Borrower's counsel concurrent with the execution and delivery of this Mortgage. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record accepted by Lender.

BORROWER AND LENDER covenant and agree as follows:

1. **Payment of Principal and Interest.**
Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Application of Payments.**
Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to interest due; and last, to principal due.

3. **Charges; Liens.**
Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

4. **Hazard Insurance.**
Borrower shall keep the improvements now existing or hereafter erected on the property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. 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 Borrower subject to Lender's approval which shall not be unreasonable withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgagee clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30 day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1. If under paragraph 17 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

5. **Preservation and Maintenance of Property; Leaseholds.**
Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

6. **Protection of Lender's rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in THE PROPERTY *such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), the Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

7. **Inspection.**
Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

8. **Condemnation.**
The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking or any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following faction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

9. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refused to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

10. **Remedies Cumulative.** All remedies provided in this mortgage are distinct and cumulative to any other right or remedy under this Mortgage or under the Note or Loan and Security Agreement or afforded by law or equity and may be exercised concurrently, independently or successively.

11. **Successors and Assigns Bound; Joint and Several Liability; Cosigners.** The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Mortgage but does not execute the Note: (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Mortgage; (b) is not personally obligated to pay the sums secured by this Mortgage; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note, Loan and Security Agreement or this Mortgage unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted by paragraph 17.

14. **Notices.**
Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address for any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.**
This Mortgage shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that a provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision. To this end the provisions of this Mortgage and the Note are declared to be severable.

16. **Transfer of the Property or a Beneficial Interest in Borrower.**
If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercised this option, Lender shall give Borrower notice of acceleration. Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

17. **Acceleration; Remedies.**
Upon default by Borrower of any covenant or agreement in the Note, Loan and Security Agreement or this Mortgage, Lender at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, attorney's fees and cost of title evidence to the extent permitted by applicable law.

18. **Lender in Possession.**
Upon acceleration under paragraph 17 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage.

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

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

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

22. **Future Advances.**
Upon request of Borrower, Lender, at Lender's option prior to release of this mortgage, may make future advances to Borrower. Such future advances, with interest thereon, shall be secured by this mortgage when evidenced by a Promissory Note stating that said Notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note.

23. **Environmental Hazards.**
Borrower agrees that Borrower:

(a) (1) shall not generate, transfer, store, dispose of, or permit or suffer to be generated, transferred, stored or disposed of hazardous or toxic waste in, upon, or under the Property except in strict accordance with federal and Pennsylvania laws, rules, regulations and permits; and (2) shall reimburse the Lender on demand, for all costs expended by the Lender or which the Lender is required to pay to any governmental agency or otherwise for environmental audits, studies, inspections, cleanup, removal, or transportation with respect to or from the Property of hazardous or toxic wastes; (3) Borrower provides Lender access to the property at all times to perform its due diligence;

(b) shall not discharge or release or permit or suffer to be discharged or released hazardous or toxic substances in, upon, or under any land or soil which is included in the Property in such a way that such substances become discharged or released upon any such land or soil;

(c) shall comply with all orders or decrees now or hereafter issued by any federal, state or local governmental agency concerning the generation, transfer, storage or disposal or hazardous or toxic substances or the discharge or release of the same in, on under or from the Property or requiring the clean-up or elimination of hazardous or toxic substances in, upon, under, or from the Property;

(d) shall promptly reimburse any federal or state governmental agency which has expended funds or incurred costs or expenses for environmental audit, study or inspection of the Property or for cleanup, removal or elimination of hazardous or toxic substances in, upon, or under the Property;

(e) where permits are issued or required by any federal or state agency related to or with respect to the Property, the Borrower shall submit annual reports to the Lender showing compliance with such permits; and

(f) shall report or submit to the Lender promptly: (1) any request received by the Borrower for information, inquiry, investigation, notice or violation, administrative order, penalty assessment, suit, or directive from any federal, state or local agency concerning the Property and toxic or hazardous substances, environmental pollution, health risk or safety risk at the Property, and (2) notice of any suit brought by any person or entity alleging any environmental damage or threat, nuisance, non-compliance or health or safety risk related to the Property.

(g) Any violation authorizes Lender to cancel any commitment to advance funds under any note secured by this mortgage, to accelerate any amounts outstanding on this note, or any other note, or allow for foreclosure to be instituted immediately.

24. **Riders to this Mortgage.**
If one or more riders are executed by Borrower and recorded together with this Mortgage, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider(s) were a part of this Mortgage [check applicable box(es)]

[ ] Adjustable Rate Rider [ ] Condominium Rider

[ ] 2-4 Family Rider [ ] Graduated Payment Rider

[ ] Planned Unit Development Rider

[X] Other(s) [specify] Property Description Rider

SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with it.

Witnesses:

(Seal)
Borrower
ANDREW BATCHO

(Seal)
Borrower
ANDREW G. BATCHO

COMMONWEALTH OF PENNSYLVANIA:

: ss.

COUNTY OF CLEARFIELD :

On this, the 26th day of January 1999,

before me the undersigned officer, personally appeared Andrew

Batcho and Andrew G. Batcho,

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

are

subscribed to the within instrument and acknowledged that she

executed the same for the purposes herein contained.

IN WITNESS WHEREOF, I hereunto set my hand

and official seal.

Notary Public

My Commission Expires:

I certify that the precise
address of the within named
lender is: P.O. Box 171, Clearfield, PA 16830

Signature Richard H. Milgrub,
Attorney at Law

KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY, PA
Pennsylvania

INSTRUMENT NUMBER
199901341
RECORDED ON
Jan 27, 1999
1:56:52 PM

RECORDING FEES - RECORDER	$25.00
COUNTY IMPROVEMENT FUND	$1.00
RECORDER IMPROVEMENT FUND	$1.00
STATE WRIT TAX	$0.50
TOTAL	$27.50

ANDREW G BATCHO LINDA L BATCHO TDBA BATCHO OFFICE SYSTEMS 814 BARCLAY ST CLEARFIELD PA 16830-1204 **BORROWER'S NAME AND ADDRESS** "I" includes each borrower above, joint and severally.	CLEARFIELD BANK & TRUST COMPANY 11 N. SECOND ST, P O BOX 171 CLEARFIELD, PA 16830 **LENDER'S NAME AND ADDRESS** "You" means the lender, its successors and assigns.	Loan Number 884219 Date 10/25/02 Maturity Date 10/25/12 Loan Amount $ 185,000.00 Renewal Of 688916

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of One hundred eighty five thousand & no/100 Dollars $ 185,000.00

☒ **Single Advance:** I will receive all of this principal sum on 10/25/02. 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 OCTOBER 25, 2002 at the rate of 7.5000 % per year until OCTOBER 25, 2007.

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

☒ **Index Rate:** The future rate will be 1.000% 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 _____. 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: CR REPORT, DOC PREP, PROPERTY REPORT FEES $130.00

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 120 payments. The first payment will be in the amount of $ 2,206.40 and will be due NOVEMBER 25, 2002. A payment of $ 2,206.40 will be due Monthly thereafter. The final payment of the entire unpaid balance of principal and interest will be due OCTOBER 25, 2012.

☒ **WARRANT OF AUTHORITY TO CONFESS JUDGMENT.** Upon default, in addition to all other remedies and rights available to you, by signing below Borrower irrevocably authorizes the prothonotary, 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.

LLS LB

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 5 YEAR TERM. INTEREST WILL ACCRUE BASED UPON THE VARIABLE RATE AS DISCLOSED ABOVE.

PURPOSE: The purpose of this loan is CONSOLIDATION

☒ **SECURITY:** This note is separately secured by (describe separate document by type and date):

SECURITY AGREEMENT AND MORTGAGE DATED MAY 9,2000

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

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

ANDREW G BATCHO

LINDA L BATCHO

TDBA BATCHO OFFICE SYSTEMS

Signature for Lender

WILLIAM A. SHINER
SR VICE PRESIDENT

EXHIBIT A

DEFINITIONS: As used on page 1, "☒" mean[s] the terms that apply to this loan. "I," "me" or "my" means each Borr[ower] who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

APPLICABLE LAW: The law of the state of Pennsylvania will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement. Any provision that appoints you as an agent is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code). By exercising any of your rights under this note, you do so for your sole benefit.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the earliest of the following:

(a) the date of the last scheduled payment indicated on page 1 of this note;
(b) the date you accelerate payment on the note; or
(c) after the entry of judgment on this note by confession or otherwise and applies to amounts owed under this note on any such judgment until paid in full.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

ADVANCE PROCEDURE AND MEANS: You will advance the loan proceeds by way of check, cash, wire transfer, credit to an account or any combination as You and I agree. The advance(s) will occur upon consummation of the loan and as You and I agree, except that no advance(s) will occur until after three business days from the date of consummation if the loan is rescindable pursuant to Regulation Z (12 C.F.R. § 226).

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;
(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and
(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a representative. It also [does] not apply to any Individual Retirement Account or other tax-de[ferred] retirement account.

You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season; (11) 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.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).
(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "Set-Off" paragraph herein.
(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.
(4) You may refuse to make advances to me or allow purchases on credit by me.
(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights (to the extent permitted by law) to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);
(2) obtain official certification of nonpayment (protest); or
(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may do so without any notice that it has not been paid (notice of dishonor). You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval.

CREDIT INFORMATION: I agree and authorize you to obtain credit information about me from time to time (for example, by requesting a credit report) and to report to others your credit experience with me (such as a credit reporting agency). I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is on page 1. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this agreement, or to any other address that you have designated.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH:
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
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/ /	$		$	$	%	$	/ /
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/ /	$		$	$	%	$	/ /

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KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY
Pennsylvania

INSTRUMENT NUMBER
200006678

RECORDED ON
May 15, 2000
3:11:21 PM

RECORDING FEES - $23.00
IMPROVEMENT $1.00
RECORDER $1.00
IMPROVEMENT FUND $1.00
STATE WRIT TAX $0.50
TOTAL $25.50

CBTC

Commonwealth of Pennsylvania — Space Above This Line For Recording Data

OPEN-END MORTGAGE

This Mortgage secures future advances

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is MAY 09, 2000 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: ANDREW G BATCHO
ANDREW BATCHO

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

LENDER: CLEARFIELD BANK & TRUST COMPANY
11 N. SECOND ST, P O BOX 171
CLEARFIELD, 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:

SEE ATTACHED DESCRIPTION

EXHIBIT
tabbies
E

The property is located in CLEARFIELD (County) at
110 E MARKET ST (Address), CLEARFIELD (City), Pennsylvania 16830 (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").

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3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed $ .....200,000.00..... . 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.)*

   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.

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PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

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:
    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.

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_____ _____ _____ _____

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.

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. If Mortgagor becomes subject to a voluntary or involuntary bankruptcy, Mortgagor agrees that Lender is entitled to receive relief from the automatic stay in bankruptcy for the purpose of making this assignment effective and enforceable under state and federal law.

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.

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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.

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_____ _____ _____ _____

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.

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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 appraisement 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.**

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_____ _____ _____ _____

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: .....

(Signature) ANDREW G BATCHO (Date)

(Witness)

(Signature) (Date)

(Witness)

Entity Name: .....

(Signature) ANDREW BATCHO (Date)

(Witness)

(Signature) (Date)

(Witness)

ACKNOWLEDGMENT:

(Individual)

COMMONWEALTH OF Pennsylvania, COUNTY OF Clearfield } ss.

On this, the 9th day of May 2000, before me Rebecca A. Coleman,

the undersigned officer, personally appeared Andrew G. Batcho & Andrew Batcho,

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
REBECCA A. COLEMAN, NOTARY PUBLIC
CLEARFIELD BORO, CLEARFIELD COUNTY
MY COMMISSION EXPIRES JUNE 28, 2001

Rebecca A. Coleman
Notary Public

Title of Officer

REBECCA A. COLEMAN
NOTARY PUBLIC
CLEARFIELD BORO, CLEARFIELD COUNTY, PENNSYLVANIA
MY COMMISSION EXPIRES JUNE 28, 2001

(Business or Entity Acknowledgment)

COMMONWEALTH OF ....., COUNTY OF ..... } ss.

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, 11N SECOND, CLEARFIELD PA 16830

William A. Shiner

WILLIAM A. SHINER
SR VICE PRESIDENT

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VERIFICATION

William E. Wood, Chairman, President, CEO, and duly authorized representative of Clearfield Bank & Trust Company, deposes and says subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities, that the facts set forth in the foregoing Complaint are true and correct to his information and belief.

CLEARFIELD BANK & TRUST COMPANY

By: W E Wood

William E. Wood
Chairman, President, CEO

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

PETITION TO DIRECT SHERIFF TO FILE RETURN OF SERVICE

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

FILED NO CC
m/10:50 AM
MAY 09 2007
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, NO.: 07-275-CD

Plaintiff,

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

PETITION TO DIRECT SHERIFF TO FILE RETURN OF SERVICE

NOW COMES Clearfield Bank & Trust Company, by and through its attorneys, McGrath & Associates, P.C., and files this Petition to Direct Sheriff to File Return of Service as follows:

1. Petitioner, Clearfield Bank & Trust Company, is a financial institution with its principal place of business located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830 (hereinafter referred to as "Plaintiff").

2. On or about February 23, 2007, Petitioner commenced this Civil Action in Mortgage Foreclosure at the above-referenced docket number against Andrew Batcho and Andrew G. Batcho (hereinafter referred to as "Defendants").

3. Defendants reside in Clearfield County, Pennsylvania.

4. Plaintiff directed the Sheriff of Clearfield County to serve the Complaint in Mortgage Foreclosure upon the Defendants and any and all occupants of the mortgaged premises.

5. Plaintiff has been verbally informed by the Sheriff of Clearfield County that Defendant Andrew Batcho was served with the Complaint in Mortgage Foreclosure on or about February 23, 2007, and that Defendant Andrew G. Batcho was served with the Complaint in Mortgage Foreclosure on or about February 26, 2007.

6. Plaintiff has also been verbally informed by the Sheriff of Clearfield County that occupant Aszure Luzier was served with the Complaint in Mortgage Foreclosure on or about March 21, 2007; occupant Walter Church was served with the Complaint in Mortgage Foreclosure on or about February 26, 2007; occupant Mike Keim was served with the Complaint in Mortgage Foreclosure on or about April 26, 2007; and occupant Batcho Business Machines was served with the Complaint in Mortgage Foreclosure on or about March 2, 2007 (the foregoing are hereinafter collectively referred to as "Occupants").

7. Although service has been made on the Defendants and Occupants, the Sheriff of Clearfield County has not yet filed any return(s) or affidavit(s) of service, as required by Pa. R.C.P. 405(a).

8. The Defendants have failed to file an Answer to the Complaint in Mortgage Foreclosure within the time period required under the Pennsylvania Rules of Civil Procedure; however, Petitioner cannot enter a default judgment in the foreclosure action until the Sheriff of Clearfield County files return(s) or affidavit(s) of service of the Complaint with the Prothonotary.

9. The Petitioner's mortgage foreclosure action involves two commercial loans with a cumulative balance due of over $320,000.00, and Petitioner has been and will continue to be materially prejudiced by the delay due to the failure of the Sheriff of Clearfield County to file return(s) or affidavit(s) of service.

WHEREFORE, Petitioner, Clearfield Bank & Trust Company, requests that this Honorable Court enter an Order directing the Sheriff of Clearfield County to file return(s) or affidavit(s) of service of the Complaint in Mortgage Foreclosure on all Defendants and Occupants in the matter of Clearfield Bank & Trust Company v. Andrew Batcho and Andrew G. Batcho, at the above-referenced case number, and provide such return(s) of service to the Prothonotary of Clearfield County within ten (10) days of the entry of the Order of Court.

McGRATH & ASSOCIATES, P.C.

By: CM Christopher

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: 412-281-4333
Facsimile: 412-281-2141

VERIFICATION

Lori A. Kurtz, Collection Manager and duly authorized representative of Clearfield Bank & Trust Company, deposes and says subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities, that the facts set forth in the foregoing Petition are true and correct to her information and belief.

CLEARFIELD BANK & TRUST COMPANY

By: Lori A. Kurtz

Lori A. Kurtz
Collections Manager

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, NO.: 07-275-CD

Plaintiff,

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

ORDER OF COURT

AND NOW, to wit, this 10 day of May, 2007, upon consideration of the within Petition to Direct Sheriff to File Return of Service, it is hereby ORDERED, ADJUDGED and DECREED that the Sheriff of Clearfield County is directed to

(a) File return(s) of service of the Complaint in Mortgage Foreclosure on Defendants, Andrew Batcho and Andrew G. Batcho, and all Occupants of the mortgaged premises, including: Aszure Luzier, Walter Church, Mike Keim, and Batcho Business Machines; and

(b) Provide such return(s) of service to the Prothonotary of Clearfield County within ten (10) days of the date of this Order.

BY THE COURT:

FILED 2cc Atty
0/11:15 cm Christopher
MAY 10 2007 Cert. to Sheriff.

William A. Shaw
Prothonotary/Clerk of Courts

, J.

DATE: May 10 2007

X You are responsible for serving all appropriate parties.

FILED

MAY 10 2007

William A. Shaw
Prothonotary/Clerk of Courts

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

____ Plaintiff(s) ____ Plaintiff(s) Attorney ____ Other

____ Defendant(s) ____ Defendant(s) Attorney

____ Special Instructions:

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Petition for Return of Service was served on the following this 8th day of May, 2007, by first class U.S. mail, postage prepaid:

Chester A. Hawkins
Sheriff of Clearfield County
230 East Market Street
Clearfield, PA 16830

Andrew Batcho
110 East Pauline Street
Clearfield, PA 16830

Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

McGRATH & ASSOCIATES, P.C.

By: CMChristopher

Catherine Martin Christopher, Esquire
PA I.D. No: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: (412) 281-4333

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102477
NO: 07-275-CD
SERVICE # 1 OF 8
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO and ANDREW G. BATCHO

SHERIFF RETURN

NOW, February 23, 2007 AT 11:30 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON ANDREW BATCHO DEFENDANT AT 110 EAST PAULINE DRIVE, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO BETTY BATCHO, WIFE A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER / DEHAVEN

FILED
012:35BY
MAY 17 2007

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102477
NO: 07-275-CD
SERVICE # 2 OF 8
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO and ANDREW G. BATCHO

SHERIFF RETURN

NOW, February 26, 2007 AT 11:26 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON ANDREW G. BATCHO DEFENDANT AT WORK: 110 E. MARKET ST., CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO ANDREW G. BATCHO, DEFENDANT A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: DEHAVEN / HUNTER

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102477
NO: 07-275-CD
SERVICE # 3 OF 8
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO and ANDREW G. BATCHO

SHERIFF RETURN

NOW, February 26, 2007 AT 11:25 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON TENANT/OCCUPANT DEFENDANT AT 110 E. MARKET ST., APT. #3, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO MIKE KEIRN, TENANT 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 # 102477
NO: 07-275-CD
SERVICE # 4 OF 8
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO and ANDREW G. BATCHO

SHERIFF RETURN

NOW, March 02, 2007 AT 11:30 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON TENANT/OCCUPANT DEFENDANT AT 110 E. MARKET ST.(BUSINESS), CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO ANDREW GLEN BATCHO, OWNER A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: DEHAVEN / HUNTER

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102477
NO: 07-275-CD
SERVICE # 5 OF 8
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO and ANDREW G. BATCHO

SHERIFF RETURN

NOW, March 21, 2007 AT 2:45 PM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON TENANT/OCCUPANT DEFENDANT AT 110 E. MARKET ST. APT #1, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO ASZURE LUZIER, TENANT A TRUE AND ATTESTED COPY OF THE ORIGINAL COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: DEHAVEN /

In The Court of Common Pleas of Clearfield County, Pennsylvania

Service # 6 of 8 Services

Sheriff Docket # **102477**

Case # 07-275-CD

CLEARFIELD BANK & TRUST COMPANY

vs.

ANDREW BATCHO and ANDREW G. BATCHO

TYPE OF SERVICE COMPLAINT IN MORTGAGE FORECLOSURE

SHERIFF RETURNS

NOW May 11, 2007 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURNED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT FOUND" AS TO TENANT/OCCUPANT, DEFENDANT. APT #5 OCCUPIED, ATTEMPTED NOT HOME.

SERVED BY: /

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102477
NO: 07-275-CD
SERVICE # 7 OF 8
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO and ANDREW G. BATCHO

SHERIFF RETURN

NOW, February 26, 2007 AT 11:25 AM SERVED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE ON TENANT/OCCUPANT DEFENDANT AT 110 E. MARKET ST., APT. #2, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO WALTER CHURCH, DEFENDANT 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

Service # 8 of 8 Services

Sheriff Docket # **102477**

Case # 07-275-CD

CLEARFIELD BANK & TRUST COMPANY

vs.

ANDREW BATCHO and ANDREW G. BATCHO

TYPE OF SERVICE COMPLAINT IN MORTGAGE FORECLOSURE

SHERIFF RETURNS

NOW May 11, 2007 AFTER DILIGENT SEARCH IN MY BAILIWICK I RETURNED THE WITHIN COMPLAINT IN MORTGAGE FORECLOSURE "NOT FOUND" AS TO TENANT/OCCUPANT, DEFENDANT. 110 E. MARKET ST. APT. 4, CLFD. PA. "EMPTY".

SERVED BY: /

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 102477
NO: 07-275-CD
SERVICES 8
COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO and ANDREW G. BATCHO

SHERIFF RETURN

RETURN COSTS

Description	Paid By	CHECK #	AMOUNT
SURCHARGE	MCGRATH	22807	80.00
SHERIFF HAWKINS	MCGRATH	22807	20.00
SHERIFF HAWKINS	"	23256	54.00

Sworn to Before Me This

_____ Day of _____ 2007

_____

So Answers,

Chester A. Hawkins
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

CIVIL ACTION - COMPLAINT IN MORTGAGE FORECLOSURE

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

I hereby certify that the address of the Plaintiff is:
11 N. Second Street, P.O. Box 171
Clearfield, PA 16830

and the last known address of the Defendant Andrew Batcho is:
110 East Pauline Drive,
Clearfield, PA 16830

and the last known address of the Defendant Andrew G. Batcho:
45 Rocky Bend Rd.
Clearfield, PA 16830

and the location of the property is:
110 East Market Street,
Clearfield, PA 16830

McGrath & Associates, P.C.

CMChristopher

Attorneys for Plaintiff

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

FEB 23 2007

Attest.

William L. Shaw
Prothonotary/
Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.:

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

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 SHOULD 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
Second & Market Streets
Clearfield, PA 16830
(814) 765-2641, Ext. 50-51

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.:

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

CIVIL ACTION - COMPLAINT IN MORTGAGE FORECLOSURE

NOW COMES Plaintiff, Clearfield Bank & Trust Company, by and through its attorneys, McGrath & Associates, P.C., and files this Complaint in Mortgage Foreclosure as follows:

1. Plaintiff, Clearfield Bank & Trust Company, is a financial institution with its principal place of business located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830 (hereinafter referred to as "Plaintiff").

2. Defendant Andrew Batcho is an individual with a last known address of 110 East Pauline Drive, Clearfield, Pennsylvania 16830.

3. Defendant Andrew G. Batcho is an individual with a last known address of 45 Rocky Bend Road, Clearfield, Pennsylvania 16830 (Defendant Andrew Batcho and Defendant Andrew G. Batcho are sometimes hereafter referred to collectively as "Defendants").

COUNT I
$265,000.00 LOAN

4. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

5. On or about January 26, 1999, Defendant Andrew Batcho, Defendant Andrew G. Batcho, and Batcho Business Machines, Inc. obtained a loan from Plaintiff in the amount of $265,000.00 (hereinafter referred to as the "First Loan"). The First Loan is evidenced by a certain Promissory Note dated January 26, 1999, executed by the Defendants (hereinafter referred to as the "First Note"). A true and correct copy of said First Note is marked **Exhibit "A"**, and attached hereto and made a part hereof.

6. In order to induce Plaintiff to make the First Loan, Defendants became absolute and unconditional guarantors and sureties for the First Loan by executing a Guaranty and Suretyship Agreement ("Guaranty") dated January 26, 1999, a true and correct copy of which is marked **Exhibit "B"**, and attached hereto and made a part hereof.

7. On or about January 26, 1999, as security for repayment of the debt evidenced by the First Note and Guaranty, Defendants made, executed and delivered to Plaintiff a Mortgage in the original principal amount of $265,000.00 (hereinafter referred to as the "First Mortgage") on the premises commonly known as 110 East Market Street, Clearfield, Pennsylvania 16830 (hereinafter referred to as the "Mortgaged Premises"). Said First Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on January 29, 1999, at Instrument No. 199901341. A true and correct copy of the First Mortgage, containing a description of the Mortgaged Premises, is marked **Exhibit "C"**, and attached hereto and made a part hereof.

8. Defendant Andrew Batcho and Defendant Andrew G. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

9. The First Note and First Mortgage are in default as the result of the Defendants' failure to make the monthly installments of principal and interest when due.

10. Demand for payment has been made upon the Defendants by Plaintiff; however,

Defendants have failed or refused to pay.

11. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

12. The amount due and owing Plaintiff by Defendants under the First Note and First Mortgage as of January 26, 2007 is as follows:

Principal Balance	$190,217.35
Interest as of 1/26/07	$ 4,449.76
Late Fees as of 1/26/07	$ 822.98
Total	**$195,490.09**

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and First Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of **$195,490.09**, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and First Mortgage and for foreclosure and sale of the Mortgaged Premises.

COUNT II
$185,000.00 LOAN

13. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

14. On or about October 25, 2002, Defendant Andrew G. Batcho and his wife, Linda L.

Batcho, together t/d/b/a Batcho Office Systems, obtained a loan from Plaintiff in the amount of $185,000.00 (hereinafter referred to as the "Second Loan"). The Second Loan is evidenced by a certain Note dated October 25, 2002, executed by Defendant Andrew G. Batcho and Linda L. Batcho (hereinafter referred to as the "Second Note"). A true and correct copy of said Second Note is marked **Exhibit "D"**, and attached hereto and made a part hereof.

15. The Second Note is secured by an Open-End Mortgage made, executed and delivered to Plaintiff by Defendant Andrew Batcho and Defendant Andrew G. Batcho on May 9, 2000 in the original principal amount not to exceed $200,000.00 (hereinafter referred to as the "Second Mortgage") also on the Mortgaged Premises. Said Second Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on May 15, 2000, at Instrument No. 200006678. A true and correct copy of the Second Mortgage, containing a description of the Mortgaged Premises, is marked **Exhibit "E"**, and attached hereto and made a part hereof.

16. Defendant Andrew Batcho and Defendant Andrew G. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

17. The Second Note and Second Mortgage are in default as the result of the said Defendants' failure to make the monthly installments of principal and interest when due.

18. Demand for payment has been made upon the Defendants by Plaintiff; however, Defendants have failed or refused to pay.

19. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

20. The amount due and owing Plaintiff by Defendants under the Note and Mortgage as of January 26, 2007 is as follows:

Principal Balance	$124,590.26
Interest as of 1/26/07	$ 733.41
Late Fees as of 1/26/07	$ 110.32
Total	**$125,433.99**

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of **$125,433.99**, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage and for foreclosure and sale of the Mortgaged Premises.

SUMMARY OF COUNTS I AND II

WHEREFORE, Plaintiff demands Judgment in Mortgage Foreclosure in the aggregate amount of **$320,924.08** plus interest from January 26, 2007 at the contractual rate(s), additional late charges, escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and Second Note and for foreclosure and sale of the Mortgaged Premises.

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: 412-281-4333
Facsimile: 412-281-2141

VERIFICATION

William E. Wood, Chairman, President, CEO, and duly authorized representative of Clearfield Bank & Trust Company, deposes and says subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities, that the facts set forth in the foregoing Complaint are true and correct to his information and belief.

CLEARFIELD BANK & TRUST COMPANY

By: _____
William E. Wood
Chairman, President, CEO

$ 265,000.00 ___ **ROMI RY NOTE** Loan # 0412640 Dated January 26, 1999

Debtor Andrew Batcho of 110 E. Pauline Drive, Clearfield, PA 16830

Debtor Andrew G. Batcho of RR 2, Box 264A, Clearfield, PA 16830

FOR VALUE RECEIVED AND INTENDING TO BE LEGALLY BOUND HEREBY, the person or persons who sign as debtor below (each jointly and severally liable if more than one person and hereinafter referred to as "Debtor"), promises to pay to the order of

CLEARFIELD BANK & TRUST CO., Clearfield, Pennsylvania 16830 ("Lender");

at any of Lender's branch offices,

the Principal sum of --Two Hundred Sixty Five Thousand and 00/100---------- Dollars in lawful money of the United States, to be paid as follows:

Principal is payable on Demand together with the accured interest then outstanding, but if no demand is made by Lender then: 60 monthly principal and interest installments of $2,300.40 commencing on the 26 day of February, 1999 and continuing on the 26 day of each month thereafter. Subsequent monthly principal and interest installments will be based on a variable interest rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. The remaining payment schedule will amortize the loan over the final 180 month term. Any increase or decrease in the amount of interest due caused by early or late payments will be reflected in the final installment, which will be modified accordingly. Interest from the date of this Note shall accrue on the unpaid Principal balance hereof at the rate of 8.50% will be fixed for the first five year time period only. Interest thereafter will be at a variable rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. Borrower and Lender may agree to fix the interest rate after the initial 5 year term for similar 5 year time periods. and shall be payable monthly as billed.

If a payment is made more than 15 days after its scheduled due date, a late charge of 5% of the payment amount or a minimum of $5.00 will be charged.

SECURITY INTEREST: As security for the prompt payment as and when due of all amounts due under this Note, including any renewals, extensions and/or modifications thereof, together with all other existing and future liabilities and obligations of Debtor, or any of them, to Lender whether absolute or contingent, of any nature whatsoever and out of whatever transactions arising (hereinafter collectively referred to as the "Liabilities"), in addition to any other security agreement or document granting Lender any rights in any of Obligor's ("Obligor", as used herein, shall include Debtor and all other persons liable, either absolutely or contingently, on the Liabilities, including endorsers, sureties and guarantors) property for the purpose of securing the Liabilities, Obligor acknowledges Lender's right of set-off and further hereby grants to Lender a lien and security interest in and to all property of Obligor, or any of them, which at any time Lender shall have in its possession, or which is in transit to it, including without limitation any balance or share belonging to Obligor, or any of them, of any deposit, agency, trust, escrow or other account or accounts with Lender and any other amounts which may be owing from time to time by Lender to Obligor, or any of them. Said lien and security interest shall be independent of Lender's right of set-off, which, if exercised, shall be deemed to occur at the time Lender first restricts access of Obligor to property in Lender's possession, although such set-off may be entered upon Lender's books and records at a later time.

☐ If checked, Debtor agrees that this Note is a renewal of the Promissory Note dated

_____, 19____, and that, whether or not additional funds are advanced herewith, this Note is not intended to create a totally new debt. If Lender was given a purchase money or other security interest in connection with the prior Promissory Note, that security interest shall be retained by Lender in connection with this Note.

UNCONDITIONAL LIABILITY: Obligor's liability shall be unconditional and without regard to the liability of any other Obligor, and shall not be affected by any indulgence, extension of time, renewal, waiver or modification of this Note, or the release, substitution and/or addition of collateral security for this Note. Obligor consents to any and all extensions of time, renewals, waivers or modifications, as well as to the release, substitution or addition of Obligors and/or collateral security, without notice to Obligor and without affecting Obligor's liability hereunder or under the Liabilities.

This Note is entitled to the benefits of any loan agreement(s), surety and/or guaranty agreement(s), security agreement(s), mortgage(s), assignment(s), and/or other such loan documents (referred to as the "Loan Documents") issued in connection with the Liabilities, whether executed previously to or concurrently with, or to be executed subsequent to, this Note, and which may be amended, modified, renewed or substituted without affecting in any way the validity or enforceability of this Note.

EVENTS OF DEFAULT: Each of the following shall be an "Event of Default" hereunder: (1) the nonpayment when due, or if this is a demand obligation, upon demand, of any amount payable under this Note or of any amount when due under or on any of the Liabilities, or the failure of any Obligor to observe or perform any agreement of any nature whatsoever with Lender, including, but not limited to, those contained in the Loan Documents; (2) if any Obligor becomes insolvent or makes an assignment for the benefit of creditors, or if any petition is filed by or against any Obligor under any provision of any state or federal law or statute alleging that such Obligor is insolvent or unable to pay debts as they mature or under any provision of the Federal Bankruptcy Code; (3) the entry of any judgment against any Obligor or any of Obligor's property which remains unsatisfied for fifteen (15) days; (4) the issuing of any attachment, levy or garnishment against any property of any Obligor; (5) the occurrence of any substantial change in the financial condition of any Obligor which, in the sole, reasonable good faith judgment of Lender is materially adverse; (6) the sale of all or substantially all of the assets, or change in ownership, or the dissolution, liquidation, merger, consolidation or reorganization of any Obligor which is a corporation or partnership, without the express prior written consent of Lender; (7) the death, incarceration or adjudication of legal incompetence of any Obligor who is a natural person; (8) if any information or signature furnished to Lender by any Obligor at any time in connection with any of the Liabilities, or in connection with any guaranty or surety agreement applicable to any of the Liabilities, is false or incorrect or (9) the failure of any Obligor to timely furnish to Lender such financial and other information as Lender may reasonably request or require.

LENDER'S RIGHTS UPON DEFAULT: Notwithstanding anything to the contrary contained herein or elsewhere or the fact that Debtor may be required to make Principal and/or interest payments from time to time, if the Note is payable upon demand, Lender may demand payment of all outstanding Principal and accrued interest at any time, whether or not an Event of Default shall have occurred. In any event, upon the occurrence of a Event of Default, Lender may do any or all of the following:

(1) accelerate the maturity of this Note and demand immediate payment of all outstanding Principal and accrued interest. Debtor agrees to pay interest at the rate provided in this Note on all such sums until Lender has actually received payment in full thereof, even if Lender has obtained judgment against Debtor therefor;

(2) pursuant to the Warrant of Attorney contained herein, confess judgment against Debtor, or any of the;

(3) exercise Lender's right of set-off and all of the rights, privileges and remedies of a secured party under Pennsylvania Uniform Commercial Code and all of its rights and remedies under any security agreement, pledge agreement, assignment, mortgage, power, this Note or any other note, or other agreement, instrument, document issued in connection with or arising out of any of the Liabilities, all of which remedies shall be cumulative and not alternative. The net proceeds of any collateral held by Lender as security for any of the Liabilities shall be applied first to the expenses of Lender in preparing the collateral for sale, selling and the, including, without limitation, reasonable attorney's fees and expenses incurred by Lender (including fees, expenses of any litigation incident to any of the foregoing), and second, in such order, as Lender may, in its discretion, elect, to the complete satisfaction of all of the Liabilities together with all interest thereon. Obligor waives and releases any right to require Lender to collect any of the Liabilities to Lender from any of collateral under any theory of marshalling of assets or otherwise, and specifically authorizes Lender to apply any collateral in which Obligor has any right, title or interest against any of the Obligor's Liabilities to Lender any manner that Lender may determine.

(4) Upon five (5) days written notice to Debtor, begin accruing interest, in addition to the interest provided above, if any, at a rate not to exceed four percent (4%) per annum on the unpaid Principal balance; provided, however, that no interest shall accrue hereunder in excess of the maximum amount of interest then allowed by law. Debtor agrees to pay such accrued interest upon demand.

WARRANT OF ATTORNEY: Debtor, and each of them if more than one, hereby irrevocably authorizes and empowers any Attorney or any Clerk of any court of record prior to, upon or after the occurrence of any Event of Default, as specified above, to appear for and CONFESS JUDGMENT against Debtor, or any of them, (a) for such sums as are due and/or may become due on the Liabilities, and/or (b) in any action of replevin instituted by Lender to obtain possession of any collateral securing this Note or securing any of the Liabilities, in either case with or without declaration, with costs of suit, without stay of execution and with an amount not to exceed fifteen percent (15%) of the unpaid principal amount of such judgment, but not less than One Thousand Dollars ($1,000.00), added for attorney's collection fees. Debtor: (1) waives the right of inquisition on any real estate levied on, voluntarily condemns the same, authorizes the Prothonotary or Clerk to enter upon the Writ of Execution said voluntary condemnation and agrees that said real estate may be sold on a Writ of Execution; (2) to the extent permitted by law, waives and releases all relief from all appraisement, stay, exemption, appeal laws of any state now in force or hereafter enacted; and (3) releases all errors in such proceedings. A copy of this Note, verified by affidavit by or on behalf of Lender shall have been filed in such action, it shall be necessary to file the original Note as a Warrant of Attorney. The authority and power to appear for and enter judgment against Debtor shall not be exhausted by the initial exercise thereof, and the same may be exercised from time to time, as often as Lender shall deem necessary and desirable, and this Note shall be a sufficient Warrant therefore. Lender may enter one or more judgments in the same or different counties for all or part of the Liabilities, without regard to whether judgment has been entered on more than one occasion for the same Liabilities. In the event any judgment entered against Debtor hereunder is stricken or opened upon application by or on Debtor's behalf for any reason whatsoever, Lender is hereby authorized and empowered to immediately appear for and Confess Judgment against Debtor or any of them; subject, however, to the limitation that any subsequent entry or entries of judgment by Lender may only be done to cure any errors in prior proceedings only and to the extent that such errors are subject to cure in the later proceedings.

THE PROVISIONS ON THE REVERSE SIDE ARE PART OF THIS NOTE.

Debtor has duly executed this Note the day and year first above written and has hereunto set Debtor's hand and seal.

(INDIVIDUAL DEBTOR(S) SIGN BELOW)

_____ (SEAL)
Name: Andrew Batcho

_____ (SEAL)
Name: Andrew G. Batcho

_____ (SEAL)
Name

(CORPORATION OR PARTNERSHIP DEBTOR(S) SIGN BELOW)

_____
Name of Corporation or Partnership

By _____
Name and Title

Attest: _____ (CORPORATE
Name and Title

BANCONSUMER FORM PA 170 (Rev. 12/85)

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EXHIBIT
tabbies
A

PREPAYMENTS: Unless otherwise agreed to in writing by Debtor, this Note may be prepaid in whole or in part, at any time without penalty. However if the Principal of this Note is repayable in installments, any such prepayments shall be applied first to accrued interest to the date of prepayment and then on account of the last remaining unpaid Principal payment to become due, and the number of installments due hereunder shall be correspondingly reduced. No such prepayments shall reduce the amounts of the scheduled installments nor relieve Debtor from paying a scheduled installment on each installment payment date until all Principal due together with accrued interest thereon has been paid in full.

DISBURSEMENT OF PROCEEDS: Each Debtor hereby represents and warrants to Lender that the Principal of this Note will be used solely for business or commercial purposes and agrees that any disbursement of the Principal of this Note, or any portion thereof, to any one or more Debtors, shall conclusively be deemed to constitute disbursement of such Principal to and for the benefit of all Debtors.

RIGHT TO COMPLETE NOTE: Lender may at any time and from time to time, without notice to any Obligor: (1) date this Note as of the date when the loan evidenced hereby was made; (2) complete any blank spaces according to the terms upon which Lender has granted such loan; and (3) cause the signature of one or more persons to be added as additional Debtors without in any way affecting or limiting the liability of the existing Obligors to Lender.

MISCELLANEOUS: Debtor hereby waives protest, notice of protest, presentment, dishonor, notice of dishonor and demand. Debtor hereby waives and releases all errors, defects and imperfections in any proceeding instituted by Lender under the terms of this Note. Debtor agrees to reimburse Lender for all costs, including court costs and reasonable attorney's fees of 15% (but in no event less than $1,000) of the total amount due hereunder, incurred by Lender in connection with the collection and enforcement hereof. If this Note bears interest at a rate based on the reference rate designated by Lender or others from time to time as the Prime Rate, Base Rate, or otherwise, or the Discount Rate in effect from time to time as set by the Federal Reserve Bank in whose district the Lender is located, changes in the rate of interest hereon shall become effective on the day on which such reference rate changes or that Federal Reserve Bank announces changes in its Discount Rate, as applicable. The rights and privileges of Lender under this Note shall inure to the benefit of its successors and assigns. All representations, warranties and agreements of Obligor made in connection with this Note shall bind Obligor's personal representatives, heirs, successors and assigns. If any provision of this Note shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Note shall be construed as if such invalid or unenforceable provision had never been contained herein. The waiver of any Event of Default or the failure of Lender to exercise any right or remedy to which it may be entitled shall not be deemed a waiver of any subsequent Event of Default or of Lender's right to exercise that or any other right or remedy to which Lender is entitled. This Note has been delivered to and accepted by Lender in and shall be governed by the laws of the Commonwealth of Pennsylvania, unless federal law otherwise applies. The parties agree to the jurisdiction of the federal and state courts located in Pennsylvania in connection with any matter arising hereunder, including the collection and enforcement hereof.

GUARANTY AND SURETYSHIP AGREEMENT

WHEREAS, **Andrew Batcho and Andrew G. Batcho**, (hereinafter called "Borrower") desires to transact business with and to obtain credit or a continuation or renewal of credit from **Clearfield Bank & Trust Company** (hereinafter called "Bank"); and

WHEREAS, Bank is unwilling to extend or continue credit or any renewal thereof to Borrower without this Guaranty;

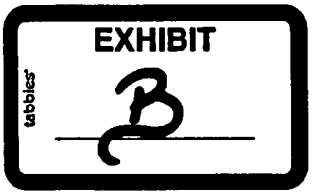
NOW, THEREFORE, in order to induce Bank to extend, continue, or renew credit to Borrower, and in consideration of the premises and the sum of $1.00 and of other good and valuable consideration, the undersigned, as surety, subject to the limitation, if any, hereinafter set forth in Paragraph 1, hereby absolutely and unconditionally guarantees to Bank prompt payment when due and at all times thereafter of any and all existing and future indebtedness and liability of every kind, nature and character (including all renewals, extensions and modifications thereof) from Borrower to Bank, howsoever and whensoever created or arising or evidenced or acquired.

1. The amount of the undersigned's liability hereunder shall be $ 265,000.00. The undersigned agrees that the amount of Borrower's liabilities to Bank may from time to time exceed the undersigned's liability hereunder without in any way affecting or impairing the liability of the undersigned hereunder.

2. This Guaranty is made and shall continue as to any and all indebtedness and liability of Borrower to Bank incurred or arising without regard to collateral or security or guaranties or other obligers, if any, or to the validity or effectiveness of any and all thereof; and any and all such collateral and security and guaranties and other obligers, if any, may from time to time without notice to, or consent of the undersigned, be sold, released, surrendered, exchanged, settled, compromised, waived, subordinated or modified, with or without consideration, on such terms or conditions as may be acceptable to Bank, without in any manner affecting or impairing the liability of the undersigned hereunder. The termination of this Guaranty, in the manner aforesaid, shall not relieve the undersigned from liability upon any indebtedness or liability of Borrower existing at the time of such termination.

3. The undersigned's liability hereunder is several and is independent of any other guaranties at any time in effect with respect to all or any part of the indebtedness or liability of Borrower to Bank, and may be enforced regardless of the existence of any such other guaranties. This is an agreement of suretyship as well as of guaranty, and without being required to proceed first against Borrower or any other person or entity, or against any collateral or other security for Borrower's obligations to Lender, Lender may proceed directly against the undersigned whenever Borrower fails to make any payment when due, or otherwise fails to perform any obligation now or hereafter owed to Bank.

4. The undersigned hereby waives all notices of any character whatsoever with respect to this Guaranty and Borrower's obligations or liabilities to Bank including, but not limited to: notice of acceptance hereof; notice of the creation, existence, amendment, modification,



waiver, renewal, extension or acquisition of any obligation or liability hereby guaranteed; notice of any adverse change in Borrower's financial condition of which Bank acquires knowledge or of any other fact affecting the undersigned's risk hereunder; and notice of default by Borrower or any other guarantor of Borrower's obligations or liabilities. The undersigned further waives presentment, demand, protest, and notice thereof as to any instrument representing indebtedness covered by this Guaranty, as well as any right to require Bank to sue or otherwise enforce payment thereof. In addition, the undersigned waives the benefit of all laws now or hereafter in effect in any way limiting or restricting the liability of the undersigned hereunder and waives all defenses whatsoever to undersigned's liability hereunder other than payment.

5. If any of Borrower's obligations or liabilities to Bank are not duly performed, including the prompt payment when due of any amount payable thereunder, and if Bank is prevented from accelerating payment thereunder, (whether because of bankruptcy, insolvency, or reorganization or any other reason) all of Borrower's liabilities to Bank shall, at Bank's option, be deemed to be forthwith due and payable for the purposes of this Guaranty and the liability of the undersigned hereunder.

6. In addition to all other liability of the undersigned hereunder and notwithstanding the limit, if any, set forth in Paragraph 1 hereof, the undersigned also agrees to pay to Bank on demand all costs and expenses (including reasonable attorney's fees and legal expenses) which may be incurred in the enforcement of the Borrower's liabilities to Bank or the liability of the undersigned hereunder.

7. The undersigned hereby authorizes and empowers any Prothonotary, Clerk or Attorney of any Court of Record prior to, upon or after the occurrence of any Event of Default, as specified above, to appear for and confess judgment against the undersigned in favor of Bank, its successors or assigns, for the sum set forth in Paragraph 1 hereof, with or without declaration filed, with interest and costs, release of error, without stay of execution and with reasonable attorney's fees; and the undersigned further authorizes the immediate issuing of an appropriate writ of execution upon which real or personal property may be sold without delay as provided by law or the rules of civil procedure governing the enforcement of judgments; and the undersigned also waives the right of inquisition on any real estate that may be levied upon to collect the amount due under a judgment obtained by virtue hereof, and undersigned does hereby voluntarily condemn the same and hereby waives and releases all relief from any and all appraisement, stay, exemption or homestead laws of any state, now in force, or hereafter passed, and any right to except to, strike off, open or appeal from the judgment so entered; and if a true copy of this instrument shall be filed in any such action, it shall not be necessary to file the original as a warrant of attorney, any rule of court to the contrary notwithstanding.

   No single exercise of the foregoing warrant and power to confess judgment shall be deemed to exhaust the power, but it shall continue undiminished and may be exercised from time to time as often as Bank shall elect, until all sums payable by the undersigned have been paid in full.

8. To secure all obligations of the undersigned hereunder, Bank shall have a lien upon and security interest in and may, without demand or notice of any kind, at any time and from time to time when any amount shall be due and payable by such undersigned hereunder, appropriate and apply toward the payment of such amount, in such order of application as Bank may elect; any and all balances, credits, deposits, accounts or moneys of or in the name of undersigned now or hereafter with Bank, whether held in a general or special account for deposit or for safekeeping or otherwise, and any and all property of every kind or description of or in the name of such undersigned now or hereafter, for any reason or purpose whatsoever, in the possession or control of Bank.

9. The liability of the undersigned under this Guaranty shall be unconditional and irrevocable, irrespective of (a) the genuineness, validity or enforceability of any document executed and delivered to Bank by Borrower to evidence or secure any obligation or liability of Borrower to Bank, (b) any limitation of liability of Borrower contained in any such document, (c) the existence of any collateral or other security given to secure such obligations and liabilities, (d) impossibility or the illegality of performance on the part of Borrower of its obligations or liabilities to Bank, (e) the sale or transfer of all or any portion of the collateral or other security for such obligations or liabilities, (f) any defense that may arise by reason of the incapacity or lack of authority of Borrower, (g) the failure of Bank to file or enforce a claim against the estate of Borrower in any bankruptcy or other proceeding; or (h) any other circumstance, occurrence or condition, whether similar or dissimilar to any of the foregoing, which might otherwise constitute a legal or equitable defense, discharge or release of a guarantor or surety. If Borrower defaults, this Guaranty shall remain in full force and effect until all sums due Bank by Borrower have been indefeasibly paid in full to Lender and until all such sums received by Lender are not subject to rescission, or repayment upon the bankruptcy, insolvency, or reorganization of Borrower.

10. If the undersigned consists of more than one person, such persons shall be jointly and severally liable hereunder. This Guaranty shall inure to the benefit of Bank, its successors, assigns, endorsees and any person or entity, to whom or which Bank may grant any interest in Borrower's obligations or liabilities to Bank or any of them, and shall be binding upon the undersigned and the undersigned's executors, administrators, heirs, successors, assigns and other legal representatives. The undersigned intends this to be a sealed instrument and to be legally bound hereby.

WITNESS the due execution hereof this 26th day of January, 1999.

ATTEST OR WITNESS:

Batcho Business Machines, Inc.

BY: _____ (SEAL)

_____ (SEAL)

ADDRESS: 110 E. Market St., Clearfield, PA 16830

MORTGAGE

This Mortgage is made this 26th day of January, 19 99 between the Mortgagor Andrew Batcho & Andrew G. Batcho

(herein "Borrower") and the MORTGAGEE, CLEARFIELD BANK & TRUST COMPANY, a corporation organized and existing under the law of Pennsylvania, whose address is 11 North Second Street, Clearfield, PA 16830 (herein "Lender").

WHEREAS, Borrower and Lender have executed a Promissory Note concurrent herewith providing for a loan to Borrower from Lender of the Principal sum of Two Hundred Sixty Five Thousand ($265,000.00);

WHEREAS, said loan is also secured by a Promissory Note with Borrower as maker and Lender as holder, of even date herewith (herein "Note") providing for 240 installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on 1/26/2019.

NOW THEREFORE, as security for the repayment of the indebtedness evidenced by the Note and the Loan and Security Agreement, with interest thereon, and all renewals, extensions and modification; the payment of all other sums, with interest, advanced under paragraph 6 hereof to protect the security of this mortgage; and the performance of Borrower's covenants and agreements under this Mortgage, the Note and the Loan and Security Agreement; and for the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 22 hereof (herein "future advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Clearfield, State of Pennsylvania:

which has the address of 110 East Market Street (Street)

Clearfield, Pennsylvania 16830
(City) (Zip Code)

(herein "Property Addresses");

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

TOGETHER WITH all leases and other agreements affecting the use and occupancy of the Property now or hereafter entered into, all licenses and agreements relating to the operation or maintenance of the Property and all rights of Borrower to payment under any such agreement, which is at the time not yet earned by performance (all such leases, licenses and other agreements and such rights thereunder are hereinafter referred to individually as a "Contract Right" or a "lease" and collectively as "Contract Rights or Leases");



PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

TOGETHER WITH all rents, receipts, deposits, issues, profits and other income of any and all kinds received or receivable and due or to become due from the sale or lease of all or a portion of the Property (all of such proceeds, receipts and income are hereinafter collectively referred to as the "Income and Rents" and all such rights are hereinafter referred to individually as an "Account Receivable" and collectively as "Accounts Receivable");

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record listed in the Certificate of title delivered to Lender by Borrower's counsel concurrent with the execution and delivery of this Mortgage. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record accepted by Lender.

BORROWER AND LENDER covenant and agree as follows:

1. **Payment of Principal and Interest.**
Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Application of Payments.**
Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to interest due; and last, to principal due.

3. **Charges; Liens.**
Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

4. **Hazard Insurance.**
Borrower shall keep the improvements now existing or hereafter erected on the property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. 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 Borrower subject to Lender's approval which shall not be unreasonable withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgagee clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30 day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1. If under paragraph 17 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

5. **Preservation and Maintenance of Property; Leaseholds.**
Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

6. **Protection of Lender's rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in THE PROPERTY *such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), the Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

7. **Inspection.**
Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

8. **Condemnation.**
The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking or any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following faction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

9. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refused to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

10. **Remedies Cumulative.** All remedies provided in this mortgage are distinct and cumulative to any other right or remedy under this Mortgage or under the Note or Loan and Security Agreement or afforded by law or equity and may be exercised concurrently, independently or successively.

11. **Successors and Assigns Bound; Joint and Several Liability; Cosigners.** The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Mortgage but does not execute the Note: (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Mortgage; (b) is not personally obligated to pay the sums secured by this Mortgage; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note, Loan and Security Agreement or this Mortgage unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted by paragraph 17.

14. **Notices.**
Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address for any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.**
This Mortgage shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that a provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision. To this end the provisions of this Mortgage and the Note are declared to be severable.

16. **Transfer of the Property or a Beneficial Interest in Borrower.**
If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercised this option, Lender shall give Borrower notice of acceleration. Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

17. **Acceleration; Remedies.**
Upon default by Borrower of any covenant or agreement in the Note, Loan and Security Agreement or this Mortgage, Lender at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, attorney's fees and cost of title evidence to the extent permitted by applicable law.

18. **Lender in Possession.**
Upon acceleration under paragraph 17 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage.

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

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

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

22. **Future Advances.**
Upon request of Borrower, Lender, at Lender's option prior to release of this mortgage, may make future advances to Borrower. Such future advances, with interest thereon, shall be secured by this mortgage when evidenced by a Promissory Note stating that said Notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note.

23. **Environmental Hazards.**
Borrower agrees that Borrower:

(a) (1) shall not generate, transfer, store, dispose of, or permit or suffer to be generated, transferred, stored or disposed of hazardous or toxic waste in, upon, or under the Property except in strict accordance with federal and Pennsylvania laws, rules, regulations and permits; and (2) shall reimburse the Lender on demand, for all costs expended by the Lender or which the Lender is required to pay to any governmental agency or otherwise for environmental audits, studies, inspections, cleanup, removal, or transportation with respect to or from the Property of hazardous or toxic wastes; (3) Borrower provides Lender access to the property at all times to perform its due diligence;

(b) shall not discharge or release or permit or suffer to be discharged or released hazardous or toxic substances in, upon, or under any land or soil which is included in the Property in such a way that such substances become discharged or released upon any such land or soil;

(c) shall comply with all orders or decrees now or hereafter issued by any federal, state or local governmental agency concerning the generation, transfer, storage or disposal or hazardous or toxic substances or the discharge or release of the same in, on under or from the Property or requiring the clean-up or elimination of hazardous or toxic substances in, upon, under, or from the Property;

(d) shall promptly reimburse any federal or state governmental agency which has expended funds or incurred costs or expenses for environmental audit, study or inspection of the Property or for cleanup, removal or elimination of hazardous or toxic substances in, upon, or under the Property;

(e) where permits are issued or required by any federal or state agency related to or with respect to the Property, the Borrower shall submit annual reports to the Lender showing compliance with such permits; and

(f) shall report or submit to the Lender promptly: (1) any request received by the Borrower for information, inquiry, investigation, notice or violation, administrative order, penalty assessment, suit, or directive from any federal, state or local agency concerning the Property and toxic or hazardous substances, environmental pollution, health risk or safety risk at the Property, and (2) notice of any suit brought by any person or entity alleging any environmental damage or threat, nuisance, non-compliance or health or safety risk related to the Property.

(g) Any violation authorizes Lender to cancel any commitment to advance funds under any note secured by this mortgage, to accelerate any amounts outstanding on this note, or any other note, or allow for foreclosure to be instituted immediately.

24. **Riders to this Mortgage.**
If one or more riders are executed by Borrower and recorded together with this Mortgage, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider(s) were a part of this Mortgage [check applicable box(es)]

[ ] Adjustable Rate Rider [ ] Condominium Rider

[ ] 2-4 Family Rider [ ] Graduated Payment Rider

[ ] Planned Unit Development Rider

[X] Other(s) [specify] Property Description Rider

SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with it.

Witnesses:

_____ _____ (Seal)
Borrower
ANDREW BATCHO

_____ _____ (Seal)
Borrower
ANDREW G. BATCHO

COMMONWEALTH OF PENNSYLVANIA:
: ss.
COUNTY OF CLEARFIELD :

On this, the 26th day of January, 1999, before me the undersigned officer, personally appeared Andrew Batcho and Andrew G. Batcho, known to me (or satisfactorily proven) to be the person whose names are subscribed to the within instrument and acknowledged that she executed the same for the purposes herein contained.

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

Notary Public

My Commission Expires:

I certify that the precise address of the within named lender is: P.O. Box 171, Clearfield, PA 16830

Signature Richard H. Milgrub,
Attorney at Law

KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY, PA
Pennsylvania

INSTRUMENT NUMBER
199901341
RECORDED ON
Jan 27, 1999
3:56:52 PM

RECORDING FEES - RECORDER	$25.00
COUNTY IMPROVEMENT FUND	$1.00
RECORDER IMPROVEMENT FUND	$1.00
STATE WRIT TAX	$0.50
TOTAL	$27.50

ANDREW G BATCHO LINDA L BATCHO TDBA BATCHO OFFICE SYSTEMS 814 BARCLAY ST CLEARFIELD PA 16830-1204 **BORROWER'S NAME AND ADDRESS** "I" includes each borrower above, joint and severally.	CLEARFIELD BANK & TRUST COMPANY 11 N. SECOND ST, P O BOX 171 CLEARFIELD, PA 16830 **LENDER'S NAME AND ADDRESS** "You" means the lender, its successors and assigns.	Loan Number 884219 Date 10/25/02 Maturity Date 10/25/12 Loan Amount $ 185,000.00 Renewal Of 688916

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of One hundred eighty five thousand & no/100 Dollars $ 185,000.00

☒ **Single Advance:** I will receive all of this principal sum on 10/25/02. 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 OCTOBER 25, 2002 at the rate of 7.5000 % per year until OCTOBER 25, 2007.

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

☒ **Index Rate:** The future rate will be 1.000% 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 _____. 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: CR REPORT, DOC PREP, PROPERTY REPORT FEES $130.00.

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 120 payments. The first payment will be in the amount of $ 2,206.40 and will be due NOVEMBER 25, 2002. A payment of $ 2,206.40 will be due Monthly thereafter. The final payment of the entire unpaid balance of principal and interest will be due OCTOBER 25, 2012.

☒ **WARRANT OF AUTHORITY TO CONFESS JUDGMENT.** Upon default, in addition to all other remedies and rights available to you, by signing below Borrower irrevocably authorizes the prothonotary, 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.

_____ _____ _____ _____

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 5 YEAR TERM. INTEREST WILL ACCRUE BASED UPON THE VARIABLE RATE AS DISCLOSED ABOVE.

PURPOSE: The purpose of this loan is CONSOLIDATION.

☒ **SECURITY:** This note is separately secured by (describe separate document by type and date):
SECURITY AGREEMENT AND MORTGAGE DATED MAY 9,2000

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

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

ANDREW G BATCHO

LINDA L BATCHO

TDBA BATCHO OFFICE SYSTEMS

Signature for Lender

WILLIAM A. SHINER
SR VICE PRESIDENT

EXHIBIT A

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DEFINITIONS: As used on page 1, "☒" mean[s] the terms that apply to this loan. "I," "me" or "my" means each Borr[ower] who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

APPLICABLE LAW: The law of the state of Pennsylvania will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement. Any provision that appoints you as an agent is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code). By exercising any of your rights under this note, you do so for your sole benefit.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the earliest of the following:

(a) the date of the last scheduled payment indicated on page 1 of this note;
(b) the date you accelerate payment on the note; or
(c) after the entry of judgment on this note by confession or otherwise and applies to amounts owed under this note on any such judgment until paid in full.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

ADVANCE PROCEDURE AND MEANS: You will advance the loan proceeds by way of check, cash, wire transfer, credit to an account or any combination as You and I agree. The advance(s) will occur upon consummation of the loan and as You and I agree, except that no advance(s) will occur until after three business days from the date of consummation if the loan is rescindable pursuant to Regulation Z (12 C.F.R. § 226).

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;
(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and
(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a representative. It also [does] not apply to any Individual Retirement Account or other tax-de[ferred] retirement account.

You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season; (11) 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.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).
(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "Set-Off" paragraph herein.
(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.
(4) You may refuse to make advances to me or allow purchases on credit by me.
(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights (to the extent permitted by law) to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);
(2) obtain official certification of nonpayment (protest); or
(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may do so without any notice that it has not been paid (notice of dishonor). You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval.

CREDIT INFORMATION: I agree and authorize you to obtain credit information about me from time to time (for example, by requesting a credit report) and to report to others your credit experience with me (such as a credit reporting agency). I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is on page 1. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this agreement, or to any other address that you have designated.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH:
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
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/ /	$		$	$	%	$	/ /

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KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY
Pennsylvania

INSTRUMENT NUMBER
200006473
RECORDED ON
May 15, 2000
3:11:21 PM

RECORDING FEES - $23.00
RECORDER
IMPROVEMENT FUND $1.00
STATE RRTT TAX $0.50
TOTAL $25.50

C&TC

Commonwealth of Pennsylvania — Space Above This Line For Recording Data

OPEN-END MORTGAGE

This Mortgage secures future advances

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is MAY 09, 2000 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: ANDREW G BATCHO
ANDREW BATCHO

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

LENDER: CLEARFIELD BANK & TRUST COMPANY
11 N. SECOND ST, P O BOX 171
CLEARFIELD, 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:
SEE ATTACHED DESCRIPTION

EXHIBIT
tabbies
E

The property is located in CLEARFIELD (County) at
110 E MARKET ST (Address), CLEARFIELD (City), Pennsylvania 16830 (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").

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3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed $ .....200,000.00..... . 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.)*

   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.

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PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel J. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

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:

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.

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_____ _____ _____ _____

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.

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. If Mortgagor becomes subject to a voluntary or involuntary bankruptcy, Mortgagor agrees that Lender is entitled to receive relief from the automatic stay in bankruptcy for the purpose of making this assignment effective and enforceable under state and federal law.

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.

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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.

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_____ _____ _____ _____

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.

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_____ _____ _____ _____

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 appraisement 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.**

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_____ _____ _____ _____

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: .....

(Signature) ANDREW G BATCHO (Date)

(Witness)

(Signature) (Date)

(Witness)

Entity Name: .....

(Signature) ANDREW BATCHO (Date)

(Witness)

(Signature) (Date)

(Witness)

ACKNOWLEDGMENT:

(Individual)

COMMONWEALTH OF Pennsylvania, COUNTY OF Clearfield } ss.

On this, the 9th day of May 2000, before me Rebecca A. Coleman, the undersigned officer, personally appeared Andrew G. Batcho & Andrew Batcho, 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
REBECCA A COLEMAN, NOTARY PUBLIC
CLEARFIELD BORO, CLEARFIELD COUNTY
MY COMMISSION EXPIRES JUNE 28, 2001

Rebecca A. Coleman

Notary Public

Title of Officer

REBECCA A. COLEMAN
NOTARY PUBLIC
CLEARFIELD CO., PENNSYLVANIA
MY COMMISSION EXPIRES JUNE 28, 2001

(Business or Entity Acknowledgment)

COMMONWEALTH OF ....., COUNTY OF ..... } ss.

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, 11N SECOND, CLEARFIELD PA 16830

WILLIAM A. SHINER
SR VICE PRESIDENT

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IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

CIVIL ACTION - COMPLAINT IN MORTGAGE FORECLOSURE

I hereby certify that the address of the Plaintiff is:
11 N. Second Street, P.O. Box 171
Clearfield, PA 16830

and the last known address of the Defendant Andrew Batcho is:
110 East Pauline Drive,
Clearfield, PA 16830

and the last known address of the Defendant Andrew G. Batcho:
45 Rocky Bend Rd.
Clearfield, PA 16830

and the location of the property is:
110 East Market Street,
Clearfield, PA 16830

McGrath & Associates, P.C.

CMChristopher
Attorneys for Plaintiff

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

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

FEB 23 2007

Attest. William L. Prothonotary/ Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.:

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

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 SHOULD 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
Second & Market Streets
Clearfield, PA 16830
(814) 765-2641, Ext. 50-51

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.:

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

CIVIL ACTION - COMPLAINT IN MORTGAGE FORECLOSURE

NOW COMES Plaintiff, Clearfield Bank & Trust Company, by and through its attorneys, McGrath & Associates, P.C., and files this Complaint in Mortgage Foreclosure as follows:

1. Plaintiff, Clearfield Bank & Trust Company, is a financial institution with its principal place of business located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830 (hereinafter referred to as "Plaintiff").

2. Defendant Andrew Batcho is an individual with a last known address of 110 East Pauline Drive, Clearfield, Pennsylvania 16830.

3. Defendant Andrew G. Batcho is an individual with a last known address of 45 Rocky Bend Road, Clearfield, Pennsylvania 16830 (Defendant Andrew Batcho and Defendant Andrew G. Batcho are sometimes hereafter referred to collectively as "Defendants").

COUNT I
$265,000.00 LOAN

4. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

5. On or about January 26, 1999, Defendant Andrew Batcho, Defendant Andrew G. Batcho, and Batcho Business Machines, Inc. obtained a loan from Plaintiff in the amount of $265,000.00 (hereinafter referred to as the "First Loan"). The First Loan is evidenced by a certain Promissory Note dated January 26, 1999, executed by the Defendants (hereinafter referred to as the "First Note"). A true and correct copy of said First Note is marked **Exhibit "A"**, and attached hereto and made a part hereof.

6. In order to induce Plaintiff to make the First Loan, Defendants became absolute and unconditional guarantors and sureties for the First Loan by executing a Guaranty and Suretyship Agreement ("Guaranty") dated January 26, 1999, a true and correct copy of which is marked **Exhibit "B"**, and attached hereto and made a part hereof.

7. On or about January 26, 1999, as security for repayment of the debt evidenced by the First Note and Guaranty, Defendants made, executed and delivered to Plaintiff a Mortgage in the original principal amount of $265,000.00 (hereinafter referred to as the "First Mortgage") on the premises commonly known as 110 East Market Street, Clearfield, Pennsylvania 16830 (hereinafter referred to as the "Mortgaged Premises"). Said First Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on January 29, 1999, at Instrument No. 199901341. A true and correct copy of the First Mortgage, containing a description of the Mortgaged Premises, is marked **Exhibit "C"**, and attached hereto and made a part hereof.

8. Defendant Andrew Batcho and Defendant Andrew G. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

9. The First Note and First Mortgage are in default as the result of the Defendants' failure to make the monthly installments of principal and interest when due.

10. Demand for payment has been made upon the Defendants by Plaintiff; however,

Defendants have failed or refused to pay.

11. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

12. The amount due and owing Plaintiff by Defendants under the First Note and First Mortgage as of January 26, 2007 is as follows:

Principal Balance	$190,217.35
Interest as of 1/26/07	$ 4,449.76
Late Fees as of 1/26/07	$ 822.98
Total	**$195,490.09**

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and First Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of **$195,490.09**, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and First Mortgage and for foreclosure and sale of the Mortgaged Premises.

COUNT II
$185,000.00 LOAN

13. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

14. On or about October 25, 2002, Defendant Andrew G. Batcho and his wife, Linda L.

Batcho, together t/d/b/a Batcho Office Systems, obtained a loan from Plaintiff in the amount of $185,000.00 (hereinafter referred to as the "Second Loan"). The Second Loan is evidenced by a certain Note dated October 25, 2002, executed by Defendant Andrew G. Batcho and Linda L. Batcho (hereinafter referred to as the "Second Note"). A true and correct copy of said Second Note is marked **Exhibit "D"**, and attached hereto and made a part hereof.

15. The Second Note is secured by an Open-End Mortgage made, executed and delivered to Plaintiff by Defendant Andrew Batcho and Defendant Andrew G. Batcho on May 9, 2000 in the original principal amount not to exceed $200,000.00 (hereinafter referred to as the "Second Mortgage") also on the Mortgaged Premises. Said Second Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on May 15, 2000, at Instrument No. 200006678. A true and correct copy of the Second Mortgage, containing a description of the Mortgaged Premises, is marked **Exhibit "E"**, and attached hereto and made a part hereof.

16. Defendant Andrew Batcho and Defendant Andrew G. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

17. The Second Note and Second Mortgage are in default as the result of the said Defendants' failure to make the monthly installments of principal and interest when due.

18. Demand for payment has been made upon the Defendants by Plaintiff; however, Defendants have failed or refused to pay.

19. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

20. The amount due and owing Plaintiff by Defendants under the Note and Mortgage as of January 26, 2007 is as follows:

Principal Balance	$124,590.26
Interest as of 1/26/07	$ 733.41
Late Fees as of 1/26/07	$ 110.32
Total	**$125,433.99**

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of **$125,433.99**, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage and for foreclosure and sale of the Mortgaged Premises.

SUMMARY OF COUNTS I AND II

WHEREFORE, Plaintiff demands Judgment in Mortgage Foreclosure in the aggregate amount of **$320,924.08** plus interest from January 26, 2007 at the contractual rate(s), additional late charges, escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and Second Note and for foreclosure and sale of the Mortgaged Premises.

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: 412-281-4333
Facsimile: 412-281-2141

VERIFICATION

William E. Wood, Chairman, President, CEO, and duly authorized representative of Clearfield Bank & Trust Company, deposes and says subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities, that the facts set forth in the foregoing Complaint are true and correct to his information and belief.

CLEARFIELD BANK & TRUST COMPANY

By: _____

William E. Wood
Chairman, President, CEO

$ 265,000.00 ___ **ROMI RY NOTE** Loan # 041264[illegible] Dated January 26, 1999

Debtor Andrew Batch[illegible] of 110 E. Pauline Drive, Clearfield, PA 16830

Debtor Andrew G. Batcho of RR 2, Box 264A, Clearfield, PA 16830

FOR VALUE RECEIVED AND INTENDING TO BE LEGALLY BOUND HEREBY, the person or persons who sign as debtor below (each joimtly and severally liable if more than one person and hereinafter referred to as "Debtor"), promises to pay to the order of

CLEARFIELD BANK & TRUST CO., Clearfield, Pennsylvania 16830 ("Lender")

at any of Lender's branch offices,

the Principal sum of --Two Hundred Sixty Five Thousand and 00/100---------- Dollars in lawful money of the United States, to be paid as follows:

Principal is payable on Demand together with the accured interest then outstanding, but if no demand is made by Lender then: 60 monthly principal and interest installments of $2,300.40 commencing on the 26 day of February, 1999 and continuing on the 26 day of each month thereafter. Subsequent monthly principal and interest installments will be based on a variable interest rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. The remaining payment schedule will amortize the loan over the final 180 month term. Any increase or decrease in the amount of interest due caused by early or late payments will be reflected in the final installment, which will be modified accordingly. Interest from the date of this Note shall accrue on the unpaid Principal balance hereof at the rate of 8.50% will be fixed for the first five year time period only. Interest thereafter will be at a variable rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. Borrower and Lender may agree to fix the interest rate after the initial 5 year term for similar 5 year time periods.

and shall be payable monthly as billed.

If a payment is made more than 15 days after its scheduled due date, a late charge of 5% of the payment amount or a minimum of $5.00 will be charged.

SECURITY INTEREST: As security for the prompt payment as and when due of all amounts due under this Note, including any renewals, extensions and/or modifications thereof, together with all other existing and future liabilities and obligations of Debtor, or any of them, to Lender whether absolute or contingent, of any nature whatsoever and out of whatever transactions arising (hereinafter collectively referred to as the "Liabilities"), in addition to any other security agreement or document granting Lender any rights in any of Obligor's ("Obligor", as used herein, shall include Debtor and all other persons liable, either absolutely or contingently, on the Liabilities, including endorsers, sureties and guarantors) property for the purpose of securing the Liabilities, Obligor acknowledges Lender's right of set-off and further hereby grants to Lender a lien and security interest in and to all property of Obligor, or any of them, which at any time Lender shall have in its possession, or which is in transit to it, including without limitation any balance or share belonging to Obligor, or any of them, of any deposit, agency, trust, escrow or other account or accounts with Lender and any other amounts which may be owing from time to time by Lender to Obligor, or any of them. Said lien and security interest shall be independent of Lender's right of set-off, which, if exercised, shall be deemed to occur at the time Lender first restricts access of Obligor to property in Lender's possession, although such set-off may be entered upon Lender's books and records at a later time.

☐ If checked, Debtor agrees that this Note is a renewal of the Promissory Note dated

_____, 19____, and that, whether or not additional funds are advanced herewith, this Note is not intended to create a totally new debt, if Lender was given a purchase money or other security interest in connection with the prior Promissory Note, that security interest shall be retained by Lender in connection with this Note.

UNCONDITIONAL LIABILITY: Obligor's liability shall be unconditional and without regard to the liability of any other Obligor, and shall not be affected by any indulgence, extension of time, renewal, waiver or modification of this Note, or the release, substitution and/or addition of collateral security for this Note. Obligor consents to any and all extensions of time, renewals, waivers or modifications, as well as to the release, substitution or addition of Obligors and/or collateral security, without notice to Obligor and without affecting Obligor's liability hereunder or under the Liabilities.

This Note is entitled to the benefits of any loan agreement(s), surety and/or guaranty agreement(s), security agreement(s), mortgage(s), assignment(s), and/or other such loan documents (referred to as the "Loan Documents") issued in connection with the Liabilities, whether executed previously to or concurrently with, or to be executed subsequent to, this Note, and which may be amended, modified, renewed or substituted without affecting in any way the validity or enforceability of this Note.

EVENTS OF DEFAULT: Each of the following shall be an "Event of Default" hereunder: (1) the nonpayment when due, or if this is a demand obligation, upon demand, of any amount payable under this Note or of any amount when due under or on any of the Liabilities, or the failure of any Obligor to observe or perform any agreement of any nature whatsoever with Lender, including, but not limited to, those contained in the Loan Documents; (2) if any Obligor becomes insolvent or makes an assignment for the benefit of creditors, or if any petition is filed by or against any Obligor under any provision of any state or federal law or statute alleging that such Obligor is insolvent or unable to pay debts as they mature or under any provision of the Federal Bankruptcy Code; (3) the entry of any judgment against any Obligor or any of Obligor's property which remains unsatisfied for fifteen (15) days; (4) the issuing of any attachment, levy or garnishment against any property of any Obligor; (5) the occurrence of any substantial change in the financial condition of any Obligor which, in the sole, reasonable good faith judgment of Lender is materially adverse; (6) the sale of all or substantially all of the assets, or change in ownership, or the dissolution, liquidation, merger, consolidation or reorganization of any Obligor which is a corporation or partnership, without the express prior written consent of Lender; (7) the death, incarceration or adjudication of legal incompetence of any Obligor who is a natural person; (8) if any information or signature furnished to Lender by any Obligor at any time in connection with any of the Liabilities, or in connection with any guaranty or surety agreement applicable to any of the Liabilities, is false or incorrect; or (9) the failure of any Obligor to timely furnish to Lender such financial and other information as Lender may reasonably request or require.

LENDER'S RIGHTS UPON DEFAULT: Notwithstanding anything to the contrary contained herein or elsewhere or the fact that Debtor may be required to make Principal and/or interest payments from time to time, if the Note is payable upon demand, Lender may demand payment of all outstanding Principal and accrued interest at any time, whether or not an Event of Default shall have occurred. In any event, upon the occurrence of a Event of Default, Lender may do any or all of the following:

(1) accelerate the maturity of this Note and demand immediate payment of all outstanding Principal and accrued interest. Debtor agrees to pay interest at the rate provided in this Note on all such sums until Lender has actually received payment in full thereof, even if Lender has obtained judgment against Debtor thereof;

(2) pursuant to the Warrant of Attorney contained herein, confess judgment against Debtor, or any of the;

(3) exercise Lender's right of set-off and all of the rights, privileges and remedies of a secured party under Pennsylvania Uniform Commercial Code and all of its rights and remedies under any security agreement, pledge agreement, assignment, mortgage, power, this Note or any other note, or other agreement, instrument, document issued in connection with or arising out of any of the Liabilities, all of which remedies shall be cumulative and not alternative. The net proceeds of any collateral held by Lender as security for any of the Liabilities shall be applied first to the expenses of Lender in preparing the collateral for sale, selling and the like, including, without limitation, reasonable attorney's fees and expenses incurred by Lender (including fees and expenses of any litigation incident to any of the foregoing), and second, in such order, as Lender may, in its sole discretion, elect, to the complete satisfaction of all of the Liabilities together with all interest thereon. Obligor waives and releases any right to require Lender to collect any of the Liabilities to Lender from any other collateral under any theory of marshalling of assets or otherwise, and specifically authorizes Lender to apply any collateral in which Obligor has any right, title or interest against any of the Obligor's Liabilities to Lender in any manner that Lender may determine.

(4) Upon five (5) days written notice to Debtor, begin accruing interest, in addition to the interest provided above, if any, at a rate not to exceed four percent (4%) per annum on the unpaid Principal balance; provided, however, that no interest shall accrue hereunder in excess of the maximum amount of interest then allowed by law. Debtor agrees to pay such accrued interest upon demand.

WARRANT OF ATTORNEY: Debtor, and each of them if more than one, hereby irrevocably authorizes and empowers any Attorney or any Clerk of any court of record prior to, upon or after the occurrence of any Event of Default, as specified above, to appear for and CONFESS JUDGMENT against Debtor, or any of them, (a) for such sums as are due and/or may become due on the Liabilities, and/or (b) in any action of replevin instituted by Lender to obtain possession of any collateral securing this Note or securing any of the Liabilities, in either case with or without declaration, with costs of suit, without stay of execution and with an amount not to exceed fifteen percent (15%) of the unpaid principal amount of such judgment, but not less than One Thousand Dollars ($1,000.00), added for attorney's collection fees. Debtor: (1) waives the right of inquisition on any real estate levied on, voluntarily condemns the same, authorizes the Prothonotary or Clerk to enter upon the Writ of Execution said voluntary condemnation and agrees that said real estate may be sold on a Writ of Execution; (2) to the extent permitted by law, waives and releases all relief from all appraisement, stay, exemption or appeal laws of any state now in force or hereafter enacted; and (3) releases all errors in such proceedings. A copy of this Note, verified by affidavit by or on behalf of Lender shall have been filed in such action, if shall be necessary to file the original Note as a Warrant of Attorney. The authority and power to appear for and confess judgment against Debtor shall not be exhausted by the initial exercise thereof, and the same may be exercised from time to time, as often as Lender shall deem necessary and desirable, and this Note shall be a sufficient Warrant therefore. Lender may enter one or more judgments in the same or different counties for all or part of the Liabilities, without regard to whether judgment has been entered on more than one occasion for the same Liabilities. In the event any judgment entered against Debtor hereunder is stricken or opened upon application by or on Debtor's behalf for any reason whatsoever, Lender is hereby authorized and empowered to immediately appear for and Confess Judgment against Debtor or any of them; subject, however, to the limitation that any subsequent entry or entries of judgment by Lender may only be done to cure any errors in prior proceedings only and to the extent that such errors are subject to cure in the later proceedings.

THE PROVISIONS ON THE REVERSE SIDE ARE PART OF THIS NOTE.

Debtor has duly executed this Note the day and year first above written and has hereunto set Debtor's hand and seal.

(INDIVIDUAL DEBTOR(S) SIGN BELOW)

_____ (SEAL)
Name Andrew Batcho

_____ (SEAL)
Name Andrew G. Batcho

_____ (SEAL)
Name

(CORPORATION OR PARTNERSHIP DEBTOR(S) SIGN BELOW)

Batcho Brothers Motors
Name of Corporation or Partnership

By _____
Name and Title President

Attest _____ (CORPORATE SEAL)
Name and Title

BANCONSUMER FORM PA 170 (Rev. 12/85)

©1985 BANCONSUMER SERVICE

EXHIBIT
tabbies
A

PREPAYMENTS: Unless otherwise agreed to in writing by Debtor, this Note may be prepaid in whole or in part, at any time without penalty. However, if the Principal of this Note is repayable in installments, any such prepayments shall be applied first to accrued interest to the date of prepayment and then on account of the last remaining unpaid Principal payment to become due, and the number of installments due hereunder shall be correspondingly reduced. No such prepayments shall reduce the amounts of the scheduled installments nor relieve Debtor from paying a scheduled installment on each installment payment date until all Principal due together with accrued interest thereon has been paid in full.

DISBURSEMENT OF PROCEEDS: Each Debtor hereby represents and warrants to Lender that the Principal of this Note will be used solely for business or commercial purposes and agrees that any disbursement of the Principal of this Note, or any portion thereof, to any one or more Debtors, shall conclusively be deemed to constitute disbursement of such Principal to and for the benefit of all Debtors.

RIGHT TO COMPLETE NOTE: Lender may at any time and from time to time, without notice to any Obligor: (1) date this Note as of the date when the loan evidenced hereby was made; (2) complete any blank spaces according to the terms upon which Lender has granted such loan; and (3) cause the signature of one or more persons to be added as additional Debtors without in any way affecting or limiting the liability of the existing Obligors to Lender.

MISCELLANEOUS: Debtor hereby waives protest, notice of protest, presentment, dishonor, notice of dishonor and demand. Debtor hereby waives and releases all errors, defects and imperfections in any proceeding instituted by Lender under the terms of this Note. Debtor agrees to reimburse Lender for all costs, including court costs and reasonable attorney's fees of 15% (but in no event less than $1,000) of the total amount due hereunder, incurred by Lender in connection with the collection and enforcement hereof. If this Note bears interest at a rate based on the reference rate designated by Lender or others from time to time as the Prime Rate, Base Rate, or otherwise, or the Discount Rate in effect from time to time as set by the Federal Reserve Bank in whose district the Lender is located, changes in the rate of interest hereon shall become effective on the day on which such reference rate changes or that Federal Reserve Bank announces changes in its Discount Rate as applicable. The rights and privileges of Lender under this Note shall inure to the benefit of its successors and assigns. All representations, warranties and agreements of Obligor made in connection with this Note shall bind Obligor's personal representatives, heirs, successors and assigns. If any provision of this Note shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Note shall be construed as if such invalid or unenforceable provision had never been contained herein. The waiver of any Event of Default or the failure of Lender to exercise any right or remedy to which it may be entitled shall not be deemed a waiver of any subsequent Event of Default or of Lender's right to exercise that or any other right or remedy to which Lender is entitled. This Note has been delivered to and accepted by Lender in and shall be governed by the laws of the Commonwealth of Pennsylvania, unless Federal law otherwise applies. The parties agree to the jurisdiction of the federal and state courts located in Pennsylvania in connection with any matter arising hereunder, including the collection and enforcement hereof.

GUARANTY AND SURETYSHIP AGREEMENT

WHEREAS, **Andrew Batcho and Andrew G. Batcho**, (hereinafter called "Borrower") desires to transact business with and to obtain credit or a continuation or renewal of credit from **Clearfield Bank & Trust Company** (hereinafter called "Bank"); and

WHEREAS, Bank is unwilling to extend or continue credit or any renewal thereof to Borrower without this Guaranty;

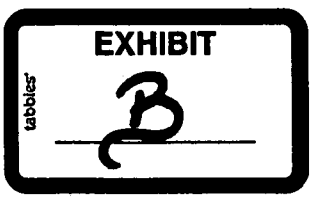
NOW, THEREFORE, in order to induce Bank to extend, continue, or renew credit to Borrower, and in consideration of the premises and the sum of $1.00 and of other good and valuable consideration, the undersigned, as surety, subject to the limitation, if any, hereinafter set forth in Paragraph 1, hereby absolutely and unconditionally guarantees to Bank prompt payment when due and at all times thereafter of any and all existing and future indebtedness and liability of every kind, nature and character (including all renewals, extensions and modifications thereof) from Borrower to Bank, howsoever and whensoever created or arising or evidenced or acquired.

1. The amount of the undersigned's liability hereunder shall be $ 265,000.00. The undersigned agrees that the amount of Borrower's liabilities to Bank may from time to time exceed the undersigned's liability hereunder without in any way affecting or impairing the liability of the undersigned hereunder.

2. This Guaranty is made and shall continue as to any and all indebtedness and liability of Borrower to Bank incurred or arising without regard to collateral or security or guaranties or other obligers, if any, or to the validity or effectiveness of any and all thereof; and any and all such collateral and security and guaranties and other obligers, if any, may from time to time without notice to, or consent of the undersigned, be sold, released, surrendered, exchanged, settled, compromised, waived, subordinated or modified, with or without consideration, on such terms or conditions as may be acceptable to Bank, without in any manner affecting or impairing the liability of the undersigned hereunder. The termination of this Guaranty, in the manner aforesaid, shall not relieve the undersigned from liability upon any indebtedness or liability of Borrower existing at the time of such termination.

3. The undersigned's liability hereunder is several and is independent of any other guaranties at any time in effect with respect to all or any part of the indebtedness or liability of Borrower to Bank, and may be enforced regardless of the existence of any such other guaranties. This is an agreement of suretyship as well as of guaranty, and without being required to proceed first against Borrower or any other person or entity, or against any collateral or other security for Borrower's obligations to Lender, Lender may proceed directly against the undersigned whenever Borrower fails to make any payment when due, or otherwise fails to perform any obligation now or hereafter owed to Bank.

4. The undersigned hereby waives all notices of any character whatsoever with respect to this Guaranty and Borrower's obligations or liabilities to Bank including, but not limited to: notice of acceptance hereof; notice of the creation, existence, amendment, modification,



waiver, renewal, extension or acquisition of any obligation or liability hereby guaranteed; notice of any adverse change in Borrower's financial condition of which Bank acquires knowledge or of any other fact affecting the undersigned's risk hereunder; and notice of default by Borrower or any other guarantor of Borrower's obligations or liabilities. The undersigned further waives presentment, demand, protest, and notice thereof as to any instrument representing indebtedness covered by this Guaranty, as well as any right to require Bank to sue or otherwise enforce payment thereof. In addition, the undersigned waives the benefit of all laws now or hereafter in effect in any way limiting or restricting the liability of the undersigned hereunder and waives all defenses whatsoever to undersigned's liability hereunder other than payment.

5. If any of Borrower's obligations or liabilities to Bank are not duly performed, including the prompt payment when due of any amount payable thereunder, and if Bank is prevented from accelerating payment thereunder, (whether because of bankruptcy, insolvency, or reorganization or any other reason) all of Borrower's liabilities to Bank shall, at Bank's option, be deemed to be forthwith due and payable for the purposes of this Guaranty and the liability of the undersigned hereunder.

6. In addition to all other liability of the undersigned hereunder and notwithstanding the limit, if any, set forth in Paragraph 1 hereof, the undersigned also agrees to pay to Bank on demand all costs and expenses (including reasonable attorney's fees and legal expenses) which may be incurred in the enforcement of the Borrower's liabilities to Bank or the liability of the undersigned hereunder.

7. The undersigned hereby authorizes and empowers any Prothonotary, Clerk or Attorney of any Court of Record prior to, upon or after the occurrence of any Event of Default, as specified above, to appear for and confess judgment against the undersigned in favor of Bank, its successors or assigns, for the sum set forth in Paragraph 1 hereof, with or without declaration filed, with interest and costs, release of error, without stay of execution and with reasonable attorney's fees; and the undersigned further authorizes the immediate issuing of an appropriate writ of execution upon which real or personal property may be sold without delay as provided by law or the rules of civil procedure governing the enforcement of judgments; and the undersigned also waives the right of inquisition on any real estate that may be levied upon to collect the amount due under a judgment obtained by virtue hereof, and undersigned does hereby voluntarily condemn the same and hereby waives and releases all relief from any and all appraisement, stay, exemption or homestead laws of any state, now in force, or hereafter passed, and any right to except to, strike off, open or appeal from the judgment so entered; and if a true copy of this instrument shall be filed in any such action, it shall not be necessary to file the original as a warrant of attorney, any rule of court to the contrary notwithstanding.

No single exercise of the foregoing warrant and power to confess judgment shall be deemed to exhaust the power, but it shall continue undiminished and may be exercised from time to time as often as Bank shall elect, until all sums payable by the undersigned have been paid in full.

8. To secure all obligations of the undersigned hereunder, Bank shall have a lien upon and security interest in and may, without demand or notice of any kind, at any time and from time to time when any amount shall be due and payable by such undersigned hereunder, appropriate and apply toward the payment of such amount, in such order of application as Bank may elect; any and all balances, credits, deposits, accounts or moneys of or in the name of undersigned now or hereafter with Bank, whether held in a general or special account for deposit or for safekeeping or otherwise, and any and all property of every kind or description of or in the name of such undersigned now or hereafter, for any reason or purpose whatsoever, in the possession or control of Bank.

9. The liability of the undersigned under this Guaranty shall be unconditional and irrevocable, irrespective of (a) the genuineness, validity or enforceability of any document executed and delivered to Bank by Borrower to evidence or secure any obligation or liability of Borrower to Bank, (b) any limitation of liability of Borrower contained in any such document, (c) the existence of any collateral or other security given to secure such obligations and liabilities, (d) impossibility or the illegality of performance on the part of Borrower of its obligations or liabilities to Bank, (e) the sale or transfer of all or any portion of the collateral or other security for such obligations or liabilities, (f) any defense that may arise by reason of the incapacity or lack of authority of Borrower, (g) the failure of Bank to file or enforce a claim against the estate of Borrower in any bankruptcy or other proceeding; or (h) any other circumstance, occurrence or condition, whether similar or dissimilar to any of the foregoing, which might otherwise constitute a legal or equitable defense, discharge or release of a guarantor or surety. If Borrower defaults, this Guaranty shall remain in full force and effect until all sums due Bank by Borrower have been indefeasibly paid in full to Lender and until all such sums received by Lender are not subject to rescission, or repayment upon the bankruptcy, insolvency, or reorganization of Borrower.

10. If the undersigned consists of more than one person, such persons shall be jointly and severally liable hereunder. This Guaranty shall inure to the benefit of Bank, its successors, assigns, endorsees and any person or entity, to whom or which Bank may grant any interest in Borrower's obligations or liabilities to Bank or any of them, and shall be binding upon the undersigned and the undersigned's executors, administrators, heirs, successors, assigns and other legal representatives. The undersigned intends this to be a sealed instrument and to be legally bound hereby.

WITNESS the due execution hereof this 26th day of January, 1999.

ATTEST OR WITNESS:

Batcho Business Machines, Inc.

BY: _____ (SEAL)

_____ (SEAL)

ADDRESS: 110 E. Market St., Clearfield, PA 16830

MORTGAGE

This Mortgage is made this 26th day of January, 19 99 between the Mortgagor Andrew Batcho & Andrew G. Batcho

(herein "Borrower") and the MORTGAGEE, CLEARFIELD BANK & TRUST COMPANY, a corporation organized and existing under the law of Pennsylvania, whose address is 11 North Second Street, Clearfield, PA 16830 (herein "Lender").

WHEREAS, Borrower and Lender have executed a Promissory Note concurrent herewith providing for a loan to Borrower from Lender of the Principal sum of Two Hundred Sixty Five Thousand ($265,000.00);

WHEREAS, said loan is also secured by a Promissory Note with Borrower as maker and Lender as holder, of even date herewith (herein "Note") providing for 240 installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on 1/26/2019.

NOW THEREFORE, as security for the repayment of the indebtedness evidenced by the Note and the Loan and Security Agreement, with interest thereon, and all renewals, extensions and modification; the payment of all other sums, with interest, advanced under paragraph 6 hereof to protect the security of this mortgage; and the performance of Borrower's covenants and agreements under this Mortgage, the Note and the Loan and Security Agreement; and for the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 22 hereof (herein "future advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Clearfield, State of Pennsylvania:

which has the address of 110 East Market Street (Street)
Clearfield, Pennsylvania 16830
(City) (Zip Code)
(herein "Property Addresses");

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

TOGETHER WITH all leases and other agreements affecting the use and occupancy of the Property now or hereafter entered into, all licenses and agreements relating to the operation or maintenance of the Property and all rights of Borrower to payment under any such agreement, which is at the time not yet earned by performance (all such leases, licenses and other agreements and such rights thereunder are hereinafter referred to individually as a "Contract Right" or a "lease" and collectively as "Contract Rights or Leases");



PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

TOGETHER WITH all rents, receipts, deposits, issues, profits and other income of any and all kinds received or receivable and due or to become due from the sale or lease of all or a portion of the Property (all of such proceeds, receipts and income are hereinafter collectively referred to as the "Income and Rents" and all such rights are hereinafter referred to individually as an "Account Receivable" and collectively as "Accounts Receivable");

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record listed in the Certificate of title delivered to Lender by Borrower's counsel concurrent with the execution and delivery of this Mortgage. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record accepted by Lender.

BORROWER AND LENDER covenant and agree as follows:

1. **Payment of Principal and Interest.**
Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Application of Payments.**
Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to interest due; and last, to principal due.

3. **Charges; Liens.**
Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

4. **Hazard Insurance.**
Borrower shall keep the improvements now existing or hereafter erected on the property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. 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 Borrower subject to Lender's approval which shall not be unreasonable withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgagee clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30 day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1. If under paragraph 17 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

5. **Preservation and Maintenance of Property; Leaseholds.**
Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

6. **Protection of Lender's rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in THE PROPERTY *such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), the Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

7. **Inspection.**
Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

8. **Condemnation.**
The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking or any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following faction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

9. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refused to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

10. **Remedies Cumulative.** All remedies provided in this mortgage are distinct and cumulative to any other right or remedy under this Mortgage or under the Note or Loan and Security Agreement or afforded by law or equity and may be exercised concurrently, independently or successively.

11. **Successors and Assigns Bound; Joint and Several Liability; Cosigners.** The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Mortgage but does not execute the Note: (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Mortgage; (b) is not personally obligated to pay the sums secured by this Mortgage; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note, Loan and Security Agreement or this Mortgage unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted by paragraph 17.

14. **Notices.**
Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address for any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.**
This Mortgage shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that a provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision. To this end the provisions of this Mortgage and the Note are declared to be severable.

16. **Transfer of the Property or a Beneficial Interest in Borrower.**
If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercised this option, Lender shall give Borrower notice of acceleration. Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

17. **Acceleration; Remedies.**
Upon default by Borrower of any covenant or agreement in the Note, Loan and Security Agreement or this Mortgage, Lender at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, attorney's fees and cost of title evidence to the extent permitted by applicable law.

18. **Lender in Possession.**
Upon acceleration under paragraph 17 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage.

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

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

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

22. **Future Advances.**
Upon request of Borrower, Lender, at Lender's option prior to release of this mortgage, may make future advances to Borrower. Such future advances, with interest thereon, shall be secured by this mortgage when evidenced by a Promissory Note stating that said Notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note.

23. **Environmental Hazards.**
Borrower agrees that Borrower:

(a) (1) shall not generate, transfer, store, dispose of, or permit or suffer to be generated, transferred, stored or disposed of hazardous or toxic waste in, upon, or under the Property except in strict accordance with federal and Pennsylvania laws, rules, regulations and permits; and (2) shall reimburse the Lender on demand, for all costs expended by the Lender or which the Lender is required to pay to any governmental agency or otherwise for environmental audits, studies, inspections, cleanup, removal, or transportation with respect to or from the Property of hazardous or toxic wastes; (3) Borrower provides Lender access to the property at all times to perform its due diligence;

(b) shall not discharge or release or permit or suffer to be discharged or released hazardous or toxic substances in, upon, or under any land or soil which is included in the Property in such a way that such substances become discharged or released upon any such land or soil;

(c) shall comply with all orders or decrees now or hereafter issued by any federal, state or local governmental agency concerning the generation, transfer, storage or disposal or hazardous or toxic substances or the discharge or release of the same in, on under or from the Property or requiring the clean-up or elimination of hazardous or toxic substances in, upon, under, or from the Property;

(d) shall promptly reimburse any federal or state governmental agency which has expended funds or incurred costs or expenses for environmental audit, study or inspection of the Property or for cleanup, removal or elimination of hazardous or toxic substances in, upon, or under the Property;

(e) where permits are issued or required by any federal or state agency related to or with respect to the Property, the Borrower shall submit annual reports to the Lender showing compliance with such permits; and

(f) shall report or submit to the Lender promptly: (1) any request received by the Borrower for information, inquiry, investigation, notice or violation, administrative order, penalty assessment, suit, or directive from any federal, state or local agency concerning the Property and toxic or hazardous substances, environmental pollution, health risk or safety risk at the Property, and (2) notice of any suit brought by any person or entity alleging any environmental damage or threat, nuisance, non-compliance or health or safety risk related to the Property.

(g) Any violation authorizes Lender to cancel any commitment to advance funds under any note secured by this mortgage, to accelerate any amounts outstanding on this note, or any other note, or allow for foreclosure to be instituted immediately.

24. **Riders to this Mortgage.**
If one or more riders are executed by Borrower and recorded together with this Mortgage, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider(s) were a part of this Mortgage [check applicable box(es)]

[ ] Adjustable Rate Rider [ ] Condominium Rider

[ ] 2-4 Family Rider [ ] Graduated Payment Rider

[ ] Planned Unit Development Rider

[X] Other(s) [specify] Property Description Rider

SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with it.

Witnesses:

_____ _____ (Seal)
Borrower
ANDREW BATCHO

_____ _____ (Seal)
Borrower
ANDREW G. BATCHO

COMMONWEALTH OF PENNSYLVANIA:

: ss.

COUNTY OF CLEARFIELD :

On this, the 26th day of January 1999,

before me the undersigned officer, personally appeared Andrew Batcho and Andrew G. Batcho,

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

subscribed to the within instrument and acknowledged that she

executed the same for the purposes herein contained.

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

Notary Public

My Commission Expires:

I certify that the precise address of the within named lender is: P.O. Box 171, Clearfield, PA 16830

Signature Richard H. Milgrub, Attorney at Law

KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY, PA
Pennsylvania

INSTRUMENT NUMBER
199901341
RECORDED ON
Jan 27, 1999
1:56:52 PM

RECORDING FEES - RECORDER	$25.00
COUNTY IMPROVEMENT FUND	$1.00
RECORDER IMPROVEMENT FUND	$1.00
STATE WRIT TAX	$0.50
TOTAL	$27.50

ANDREW G BATCHO LINDA L BATCHO TDBA BATCHO OFFICE SYSTEMS 814 BARCLAY ST CLEARFIELD PA 16830-1204 **BORROWER'S NAME AND ADDRESS** "I" includes each borrower above, joint and severally.	CLEARFIELD BANK & TRUST COMPANY 11 N. SECOND ST, P O BOX 171 CLEARFIELD, PA 16830 **LENDER'S NAME AND ADDRESS** "You" means the lender, its successors and assigns.	Loan Number 884219 Date 10/25/02 Maturity Date 10/25/12 Loan Amount $ 185,000.00 Renewal Of 688916

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of One hundred eighty five thousand & no/100 Dollars $ 185,000.00

☒ **Single Advance:** I will receive all of this principal sum on 10/25/02. 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 OCTOBER 25, 2002 at the rate of 7.5000 % per year until OCTOBER 25, 2007.

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

☒ **Index Rate:** The future rate will be 1.000% 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 _____. 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: CR REPORT, DOC PREP, PROPERTY REPORT FEES $130.00.

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 120 payments. The first payment will be in the amount of $ 2,206.40 and will be due NOVEMBER 25, 2002. A payment of $ 2,206.40 will be due Monthly thereafter. The final payment of the entire unpaid balance of principal and interest will be due OCTOBER 25, 2012.

☒ **WARRANT OF AUTHORITY TO CONFESS JUDGMENT.** Upon default, in addition to all other remedies and rights available to you, by signing below Borrower irrevocably authorizes the prothonotary, 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.

LLS LB

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 5 YEAR TERM. INTEREST WILL ACCRUE BASED UPON THE VARIABLE RATE AS DISCLOSED ABOVE.

PURPOSE: The purpose of this loan is CONSOLIDATION.

☒ **SECURITY:** This note is separately secured by (describe separate document by type and date):
SECURITY AGREEMENT AND MORTGAGE DATED MAY 9,2000

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

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

ANDREW G BATCHO

LINDA L BATCHO

Signature for Lender

WILLIAM A. SHINER
SR VICE PRESIDENT

TDBA BATCHO OFFICE SYSTEMS

EXHIBIT A

Expere © 1984, 1991 Bankers Systems, Inc., St. Cloud, MN Form UN-PA 6/27/2000

DEFINITIONS: As used on page 1, "☒" mean[illegible]e terms that apply to this loan. "I," "me" or "my" means each Borr[illegible]r who signs this note and each other person or legal entity (including guarantors, endorsers, and sureties) who agrees to pay this note (together referred to as "us"). "You" or "your" means the Lender and its successors and assigns.

APPLICABLE LAW: The law of the state of Pennsylvania will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement. Any provision that appoints you as an agent is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56: Decedents, Estates and Fiduciaries Code). By exercising any of your rights under this note, you do so for your sole benefit.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the earliest of the following:

(a) the date of the last scheduled payment indicated on page 1 of this note;
(b) the date you accelerate payment on the note; or
(c) after the entry of judgment on this note by confession or otherwise and applies to amounts owed under this note on any such judgment until paid in full.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

ADVANCE PROCEDURE AND MEANS: You will advance the loan proceeds by way of check, cash, wire transfer, credit to an account or any combination as You and I agree. The advance(s) will occur upon consummation of the loan and as You and I agree, except that no advance(s) will occur until after three business days from the date of consummation if the loan is rescindable pursuant to Regulation Z (12 C.F.R. § 226).

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;
(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and
(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a representative. It also [illegible]s not apply to any Individual Retirement Account or other tax-de[illegible]ed retirement account.

You will not be liable for the dishonor of any check when the dishonor occurs because you set off this debt against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season; (11) 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.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).
(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "Set-Off" paragraph herein.
(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.
(4) You may refuse to make advances to me or allow purchases on credit by me.
(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights (to the extent permitted by law) to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);
(2) obtain official certification of nonpayment (protest); or
(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may do so without any notice that it has not been paid (notice of dishonor). You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval.

CREDIT INFORMATION: I agree and authorize you to obtain credit information about me from time to time (for example, by requesting a credit report) and to report to others your credit experience with me (such as a credit reporting agency). I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is on page 1. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this agreement, or to any other address that you have designated.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH:
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
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/ /	$		$	$	%	$	/ /

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KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY
Pennsylvania

INSTRUMENT NUMBER
200003467B

RECORDED ON
May 15, 2000
3:11:21 PM

RECORDING FEES - $22.00
RECORDER
IMPROVEMENT FUND $1.00
STATE WRIT TAX $0.50
TOTAL $25.50

C87C

Commonwealth of Pennsylvania — Space Above This Line For Recording Data

OPEN-END MORTGAGE

This Mortgage secures future advances

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is MAY 09, 2000 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: ANDREW G BATCHO
ANDREW BATCHO

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

LENDER: CLEARFIELD BANK & TRUST COMPANY
11 N. SECOND ST, P O BOX 171
CLEARFIELD, 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:

SEE ATTACHED DESCRIPTION

EXHIBIT
tabbies
E

The property is located in CLEARFIELD (County) at

110 E MARKET ST (Address), CLEARFIELD (City), Pennsylvania 16830 (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").

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3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed $ .....200,000.00..... . 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.)*

   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.

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PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel J. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

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:
    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.

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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.

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. If Mortgagor becomes subject to a voluntary or involuntary bankruptcy, Mortgagor agrees that Lender is entitled to receive relief from the automatic stay in bankruptcy for the purpose of making this assignment effective and enforceable under state and federal law.

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.

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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.

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_____ _____ _____ _____

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.

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_____ _____ _____ _____

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: .....

.....
(Signature) ANDREW G BATCHO (Date)

.....
(Witness)

.....
(Signature) (Date)

.....
(Witness)

Entity Name: .....

.....
(Signature) ANDREW BATCHO (Date)

.....
(Witness)

.....
(Signature) (Date)

.....
(Witness)

ACKNOWLEDGMENT:

(Individual)

COMMONWEALTH OF Pennsylvania, COUNTY OF Clearfield } ss.
On this, the 9th day of May 2000, before me Rebecca A. Coleman,
the undersigned officer, personally appeared Andrew G. Batcho & Andrew Batcho,
, 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
REBECCA A COLEMAN, NOTARY PUBLIC
CLEARFIELD BORO, CLEARFIELD COUNTY
MY COMMISSION EXPIRES JUNE 28, 2001

Rebecca A Coleman
Notary Public

Title of Officer

REBECCA A. COLEMAN
NOTARY PUBLIC
PENNSYLVANIA

(Business or Entity Acknowledgment)

COMMONWEALTH OF ....., COUNTY OF ..... } ss.
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, 11N SECOND, CLEARFIELD PA 16830

William A. Shiner
WILLIAM A. SHINER
SR VICE PRESIDENT

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IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

PRAECIPE FOR DEFAULT JUDGMENT IN MORTGAGE FORECLOSURE

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esq.
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

FILED Atty pd. 20.00
m/ 11:42 BL
MAY 25 2007 ICC & Notice
to Defs,
William A. Shaw
Prothonotary/Clerk of Courts Statement to Atty
(EK)

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

PRAECIPE FOR DEFAULT JUDGMENT IN MORTGAGE FORECLOSURE

TO: PROTHONOTARY

Please enter a default judgment in the above-captioned case in favor of Plaintiff, **Clearfield Bank & Trust Company**, and against Defendants, **Andrew Batcho** and **Andrew G. Batcho**, in the amount of:

COUNT I
$265,000.00 LOAN

Principal Balance	$	190,217.35
Interest as of 4/12/07	$	8,113.39
Late Charges as of 4/12/07	$	1,234.19
Attorneys' Fees	$	2,619.97
TOTAL	**$**	**202,184.90**

COUNT II
$185,000.00 LOAN

Principal Balance	$	124,590.26
Interest as of 4/12/07	$	2,706.09
Late Charges as of 4/12/07	$	441.28
Attorneys' Fees	$	2,619.97
TOTAL	**$**	**130,357.60**

Grand Total of Counts I and II	**$**	**332,542.50**

plus interest, any escrow, late charges, and other amounts as authorized by the Notes and Mortgages from April 12, 2007, including reasonable attorney's fees and costs of collection, and for foreclosure and sale of the Mortgaged Premises.

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222
Telephone (412) 281-4333
Facsimile (412) 281-2141

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

COPY

NOTICE OF ORDER, DECREE OR JUDGMENT

TO: ( ) PLAINTIFF
(X) DEFENDANT, **Andrew Batcho**
( ) ADDITIONAL DEFENDANT

You are hereby notified that an Order, Decree or Judgment was entered in the above-captioned proceeding on May 25, 2007.

( ) A copy of the Order or Decree is enclosed,

or

(X) The judgment is as follows: **$332,542.50,** plus interest, any escrow, late charges, and other amounts as authorized by the Note and Mortgage from April 12, 2007, including reasonable attorney's fees and costs of collection, and for foreclosure and sale of the Mortgaged Premises.

Deputy

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

COPY

NOTICE OF ORDER, DECREE OR JUDGMENT

TO: ( ) PLAINTIFF
(X) DEFENDANT, **Andrew G. Batcho**
( ) ADDITIONAL DEFENDANT

You are hereby notified that an Order, Decree or Judgment was entered in the above-captioned proceeding on May 25, 2007.

( ) A copy of the Order or Decree is enclosed,

or

(X) The judgment is as follows: **$332,542.50,** plus interest, any escrow, late charges, and other amounts as authorized by the Note and Mortgage from April 12, 2007, including reasonable attorney's fees and costs of collection, and for foreclosure and sale of the Mortgaged Premises.

Deputy

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

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

Before me, the undersigned authority, a Notary Public, in and for said County and State, personally appeared **Catherine Martin Christopher, Esquire**, attorney for and authorized representative of Plaintiff who, being duly sworn according to law, deposes and says that the Defendants, **Andrew Batcho** and **Andrew G. Batcho**, are not in the military service of the United States of America to the best of her knowledge, information and belief and certifies that Notices of Intent to Take Default Judgment were mailed in accordance with Pa. R.C.P. 237.1, as evidenced by the attached copies.

Catherine Martin Christopher, Esquire

Sworn to and subscribed before me this

12th *day of April, 2007.*

Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Dana M. Ryerson, Notary Public
City Of Pittsburgh, Allegheny County
My Commission Expires Sept. 22, 2007
Member, Pennsylvania Association Of Notaries

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

TO: Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

DATE OF NOTICE: March 22, 2007

IMPORTANT NOTICE

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS. YOU SHOULD TAKE THIS NOTICE TO A LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE FOLLOWING OFFICE TO FIND OUT WHERE YOU CAN GET LEGAL HELP:

COURT ADMINISTRATOR
Clearfield County Courthouse
Second & Market Streets
Clearfield, PA 16830
(814) 765-2641, Ext. 50-51

McGRATH & ASSOCIATES, P.C.

By: _____
Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222
Telephone 412-281-4333
Facsimile 412-281-2141

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

TO: Andrew Batcho
110 East Pauline Drive
Clearfield, PA 16830

DATE OF NOTICE: March 22, 2007

IMPORTANT NOTICE

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS. YOU SHOULD TAKE THIS NOTICE TO A LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE FOLLOWING OFFICE TO FIND OUT WHERE YOU CAN GET LEGAL HELP:

COURT ADMINISTRATOR
Clearfield County Courthouse
Second & Market Streets
Clearfield, PA 16830
(814) 765-2641, Ext. 50-51

McGRATH & ASSOCIATES, P.C.

By: C M Christopher

Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222
Telephone 412-281-4333
Facsimile 412-281-2141

U.S. POSTAL SERVICE **CERTIFICATE OF MAILING**

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

Received From:

McGrath & Associates, P.C.
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222

One piece of ordinary mail addressed to:

Andrew Batcho
110 East Pauline Drive
Clearfield, PA 16830

Affix stamps or postage meter postage and post mark. Inquire of Postmaster for current fee.

Mailed From 15222 03/22/2007 031A 0004 1R1589 FIRST CLASS

US POSTAGE $ 00.95

PS Form 3817, January 2001

U.S. POSTAL SERVICE **CERTIFICATE OF MAILING**

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

Received From:

McGrath & Associates, P.C.
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222

One piece of ordinary mail addressed to:

Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Affix stamps or postage meter postage and post mark. Inquire of Postmaster for current fee.

Mailed From 15222 03/22/2007 031A 0004 1R1589 FIRST CLASS

US POSTAGE $ 00.95

PS Form 3817, January 2001

COPY

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

Clearfield Bank & Trust Company
Plaintiff(s)

No.: 2007-00275-CD

Real Debt: $332,542.50

Atty's Comm: $

Vs.

Costs: $

Int. From: $

Andrew Batcho
Andrew G. Batcho
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

FILED
JUN 12 2007
m/12:15/
William A. Shaw
Prothonotary/Clerk of Courts
NO CERT COPIES
ISSUED 6 WRITS TO SHERIFF

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

PRAECIPE FOR WRIT OF EXECUTION IN MORTGAGE FORECLOSURE

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

PRAECIPE FOR WRIT OF EXECUTION IN MORTGAGE FORECLOSURE

TO: PROTHONOTARY

Please issue a Writ of Execution in Mortgage Foreclosure in the above-captioned matter: (1) directed to the Sheriff of Clearfield County; (2) against Defendants, **Andrew Batcho** and **Andrew G. Batcho**; and (3) with respect to the real property described in **Exhibit "A"**, attached hereto, as follows:

COUNT I
$265,000.00 LOAN

Principal Balance	$	190,217.35
Interest as of 10/29/07	$	17,658.14
Late Charges	$	1,740.78
Attorneys' Fees	$	2,619.97
TOTAL	$	**212,236.24**

COUNT II
$185,000.00 LOAN

Principal Balance	$	124,590.26
Interest as of 10/29/07	$	7,845.44
Late Charges	$	882.56
Attorneys' Fees	$	2,619.97
TOTAL	$	**135,938.23**

Grand Total of Counts I and II	$	**348,174.47**

Prothonotary costs $125.00

McGRATH & ASSOCIATES, P.C.

By: CMChristopher

Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222
Telephone (412) 281-4333
Facsimile (412) 281-2141

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, 90 feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, 90 feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

BEING the same premises which Andrew Batcho, a married adult and Andrew G. Batcho, a married adult, granted and conveyed to Andrew G. Batcho and Linda L. Batcho, husband and wife, by Deed dated October 24, 2005, and recorded on May 11, 2006, in the Clearfield County Recorder of Deeds at Instrument No. 200607221.

Exhibit "A"

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

WRIT OF EXECUTION - (MORTGAGE FORECLOSURE)
Pa R.C.P. 3180 to Rule 3257

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

WRIT OF EXECUTION
(MORTGAGE FORECLOSURE)

Commonwealth of Pennsylvania
County of Clearfield:

TO THE SHERIFF OF CLEARFIELD COUNTY, PENNSYLVANIA:

To satisfy the judgment and costs in the above matter you are directed to levy upon and sell the following described property (specifically described property below):

SEE EXHIBIT "A"

COUNT I
$265,000.00 LOAN

Principal Balance	$	190,217.35
Interest as of 10/29/07	$	17,658.14
Late Charges	$	1,740.78
Attorneys' Fees	$	2,619.97
TOTAL	$	**212,236.24**

COUNT II
$185,000.00 LOAN

Principal Balance	$	124,590.26
Interest as of 10/29/07	$	7,845.44
Late Charges	$	882.56
Attorneys' Fees	$	2,619.97
TOTAL	$	**135,938.23**

Grand Total of Counts I and II $ **348,174.47**

Prothonotary costs $125.00

Seal of the Court

Prothonotary, Common Pleas Court of
Clearfield County, Pennsylvania

Date 6-12-07

By: _____
~~Deputy~~

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, 90 feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, 90 feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

BEING the same premises which Andrew Batcho, a married adult and Andrew G. Batcho, a married adult, granted and conveyed to Andrew G. Batcho and Linda L. Batcho, husband and wife, by Deed dated October 24, 2005, and recorded on May 11, 2006, in the Clearfield County Recorder of Deeds at Instrument No. 200607221.

Exhibit "A"

McGRATH & ASSOCIATES, P.C.

ATTORNEYS

Michelle C. Imperatore
mimperatore@lenderlaw.com

June 11, 2007

Prothonotary of Clearfield County
P.O. Box 549
Clearfield, PA 16830

Re: Clearfield Bank & Trust Company v. Andrew Batcho and Andrew G. Batcho
Case No.: 07-275-CD

Dear Sir/Madam:

This firm represents Clearfield Bank & Trust Company in connection with the above-referenced matter. In this regard, enclosed please find the following:

1. An original Praecipe for Writ of Execution in Mortgage Foreclosure for filing along with an extra copy of the coversheet;

2. An original Writ of Execution for filing along with an extra copy of the coversheet;

3. Six true and correct copies of the Writ of Execution to be sealed by the Prothonotary and delivered to the Sheriff;

4. A check made payable to the "**Prothonotary of Clearfield County**" in the amount of **$20.00**;

5. A self-addressed envelope; and

6. A package to be delivered to the Sheriff of Clearfield County.

After filing the enclosed documents, please time-stamp the extra coversheets and return same to me in the enclosed envelope. Thank you for your assistance with this matter and, if you have any questions, please feel free to give me a call.

Very truly yours,

MC Imperatore

Michelle C. Imperatore

/mci
Enclosures
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IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

MOTION TO OPEN JUDGMENT, AMEND COMPLAINT, AND AMEND CAPTION

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222

TELEPHONE: (412) 281-4333
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FILED
m/11:58/ no cc
AUG 14 2007
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

MOTION TO OPEN JUDGMENT, AMEND COMPLAINT, AND AMEND CAPTION

NOW COMES Plaintiff, Clearfield Bank & Trust Company, by and through its attorneys, McGrath & Associates, P.C., and files this Motion to Open Judgment, Amend Complaint, and Amend Caption as follows:

1. Plaintiff, Clearfield Bank & Trust Company, is a financial institution with its principal place of business located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830 (hereinafter referred to as "Plaintiff").

2. Defendant, Andrew Batcho is an individual with a last known address of 110 East Pauline Drive, Clearfield, Pennsylvania 16830.

3. Defendant, Andrew G. Batcho is an individual with a last known address of 45 Rocky Bend Road, Clearfield, Pennsylvania 16830.

4. Defendant, Andrew Batcho and Defendant, Andrew G. Batcho are mortgagors of two mortgages executed in favor of Plaintiff on January 26, 1999 and May 9, 2000 (the "Mortgages"), which mortgages are security for two loans extended by Plaintiff.

5. The instant action was commenced on February 23, 2007, when Plaintiff filed a Complaint in Mortgage Foreclosure against Defendant, Andrew Batcho and Defendant, Andrew G.

Batcho, alleging default under the Mortgages. Default Judgment was duly entered against Defendant, Andrew Batcho and Defendant, Andrew G. Batcho on May 25, 2007 in the amount of $348,174.47 plus Prothonotary costs of $125.00.

6. After Defendant, Andrew Batcho and Defendant, Andrew G. Batcho executed the Mortgages in favor of Plaintiff, Defendant, Andrew Batcho and Defendant, Andrew G. Batcho conveyed title to the mortgaged premises to Defendant, Andrew G. Batcho and his wife, Linda L. Batcho by Deed dated October 24, 2005 and recorded on May 11, 2006 at Instrument Number 200607221. Defendant, Andrew G. Batcho and his wife, Linda L. Batcho, are the real and record owners of the mortgaged premises, and took title to the mortgaged premises under and subject to the liens of the Mortgages.

7. Because Linda L. Batcho is an owner of the mortgaged property, pursuant to Pa. R.C.P. 1144(a)(3), she should be included as a Defendant in the instant mortgage foreclosure action.

8. Plaintiff seeks to amend the Complaint in Mortgage Foreclosure for the sole purpose of naming Linda L. Batcho as a Defendant. The proposed Amended Complaint in Mortgage Foreclosure is attached hereto as **Exhibit "1"**.

9. Upon the filing of the Amended Complaint in Mortgage Foreclosure, the caption of the within action should be: "Clearfield Bank & Trust Company, Plaintiff, vs. Andrew Batcho, Andrew G. Batcho, and Linda L. Batcho, Defendants."

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter an Order (1) opening the judgment in the within action; (2) granting Plaintiff leave to amend its Complaint to include Linda L. Batcho as a Defendant; and (3) amending the caption of the within action to be: "Clearfield Bank & Trust Company, Plaintiff, vs. Andrew Batcho, Andrew G. Batcho, and Linda L. Batcho, Defendants."

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: 412-281-4333
Facsimile: 412-281-2141

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

ORDER

AND NOW, this _____ day of _____, 2007, upon Plaintiff's Motion to Open Judgment, Amend Complaint, and Amend Caption, it is hereby ORDERED, ADJUGDED and DECREED that:

(1) The judgment in the within action is opened;

(2) Plaintiff may amend its Complaint in Mortgage Foreclosure for the sole purpose of naming Linda L. Batcho as a Defendant in the within action; and

(3) The caption of the within action is hereby amended to be: "Clearfield Bank & Trust Company, Plaintiff, vs. Andrew Batcho, Andrew G. Batcho, and Linda L. Batcho, Defendants."

BY THE COURT:

_____, J.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Motion to Open Judgment, Amend Complaint, and Amend Caption was served on the following this 13th day of August, 2007, by first class U.S. mail, postage prepaid:

Andrew Batcho
110 E. Pauline Drive
Clearfield, PA 16830

Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

McGRATH & ASSOCIATES, P.C.

By: CMChristopher
Catherine Martin Christopher, Esquire
PA I.D. No: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: (412) 281-4333

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

CIVIL ACTION – AMENDED COMPLAINT IN MORTGAGE FORECLOSURE

I hereby certify that the address of the Plaintiff is:
11 N. Second Street, P.O. Box 171
Clearfield, PA 16830

and the last known address of Defendant, Andrew Batcho is:
110 East Pauline Drive
Clearfield, PA 16830

and the last known address of Defendants, Andrew G. Batcho and Linda L. Batcho is:
45 Rocky Bend Road
Clearfield, PA 16830

and the location of the property is:
110 East Pauline Drive
Clearfield, PA 16830

McGrath & Associates, P.C.

Attorneys for Plaintiff

FILED ON BEHALF OF:

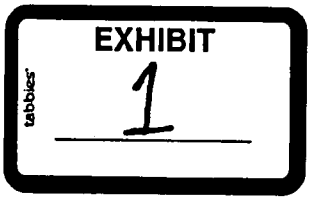
CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
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IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

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 SHOULD 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
Second & Market Streets
Clearfield, PA 16830
(814) 765-2641, Ext. 50-51

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

CIVIL ACTION – AMENDED
COMPLAINT IN MORTGAGE FORECLOSURE

NOW COMES Plaintiff, Clearfield Bank & Trust Company, by and through its attorneys, McGrath & Associates, P.C., and files this Amended Complaint in Mortgage Foreclosure as follows:

1. Plaintiff, Clearfield Bank & Trust Company, is a financial institution with its principal place of business located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830 (hereinafter referred to as "Plaintiff").

2. Defendant, Andrew Batcho is an individual with a last known address of 110 East Pauline Drive, Clearfield, Pennsylvania 16830.

3. Defendants, Andrew G. Batcho and Linda L. Batcho are husband and wife with a last known address of 45 Rocky Bend Road, Clearfield, Pennsylvania 16830 (Defendant, Andrew Batcho, Defendant, Andrew G. Batcho, and Defendant, Linda L. Batcho are sometimes hereafter referred to collectively as "Defendants").

COUNT I
$265,000.00 LOAN

4. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

5. On or about January 26, 1999, Defendant, Andrew Batcho, Defendant, Andrew G. Batcho, and Batcho Business Machines, Inc. obtained a loan from Plaintiff in the amount of $265,000.00 (hereinafter referred to as the "First Loan"). The First Loan is evidenced by a certain Promissory Note dated January 26, 1999, executed by Defendant, Andrew Batcho and Defendant, Andrew G. Batcho (hereinafter referred to as the "First Note"). A true and correct copy of said First Note is marked **Exhibit "A"**, and attached hereto and made a part hereof.

6. In order to induce Plaintiff to make the First Loan, Defendant, Andrew Batcho and Defendant, Andrew G. Batcho became absolute and unconditional guarantors and sureties for the First Loan by executing a Guaranty and Suretyship Agreement ("Guaranty") dated January 26, 1999, a true and correct copy of which is marked **Exhibit "B"**, and attached hereto and made a part hereof.

7. On or about January 26, 1999, as security for repayment of the debt evidenced by the First Note and Guaranty, Defendant, Andrew Batcho and Defendant, Andrew G. Batcho made, executed and delivered to Plaintiff a Mortgage in the original principal amount of $265,000.00 (hereinafter referred to as the "First Mortgage") on the premises commonly known as 110 East Market Street, Clearfield, Pennsylvania 16830 (hereinafter referred to as the "Mortgaged Premises"). Said First Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on January 29, 1999, at Instrument No. 199901341. A true and correct copy of the First Mortgage, containing a description of the Mortgaged Premises, is marked **Exhibit "C"**, and attached hereto and made a part hereof.

8. Defendant, Andrew Batcho and Defendant, Andrew G. Batcho subsequently conveyed the Mortgaged Premises to Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho by Deed dated October 24, 2005, and recorded May 11, 2006 at Instrument Number 200607221. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho took title to the Mortgaged Premises under and subject to the lien of the First Mortgage.

9. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

10. The First Note and First Mortgage are in default as the result of the Defendants' failure to make the monthly installments of principal and interest when due.

11. Demand for payment has been made upon the Defendants by Plaintiff; however, Defendants have failed or refused to pay.

12. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

13. The amount due and owing Plaintiff by Defendants under the First Note and First Mortgage as of January 26, 2007 is as follows:

Principal Balance	$190,217.35
Interest as of 1/26/07	$ 4,449.76
Late Fees as of 1/26/07	$ 822.98
Total	**$195,490.09**

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by

the First Note and First Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of **$195,490.09**, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and First Mortgage and for foreclosure and sale of the Mortgaged Premises.

COUNT II
$185,000.00 LOAN

14. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

15. On or about October 25, 2002, Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho, together t/d/b/a Batcho Office Systems, obtained a loan from Plaintiff in the amount of $185,000.00 (hereinafter referred to as the "Second Loan"). The Second Loan is evidenced by a certain Note dated October 25, 2002, executed by Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho (hereinafter referred to as the "Second Note"). A true and correct copy of said Second Note is marked **Exhibit "D"**, and attached hereto and made a part hereof.

16. The Second Note is secured by an Open-End Mortgage made, executed and delivered to Plaintiff by Defendant, Andrew Batcho and Defendant, Andrew G. Batcho on May 9, 2000 in the original principal amount not to exceed $200,000.00 (hereinafter referred to as the "Second Mortgage") also on the Mortgaged Premises. Said Second Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on May 15, 2000, at Instrument No. 200006678. A true and correct copy of the Second Mortgage, containing a description of the Mortgaged Premises, is marked **Exhibit "E"**, and attached hereto and made a part hereof.

17. Defendant, Andrew Batcho and Defendant, Andrew G. Batcho conveyed the Mortgaged Premises to Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho by deed dated October 24, 2005, and recorded May 11, 2006 at Instrument Number 200607221. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho took title to the Mortgaged Premises under and subject to the lien of the Second Mortgage.

18. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

19. The Second Note and Second Mortgage are in default as the result of the Defendants' failure to make the monthly installments of principal and interest when due.

20. Demand for payment has been made upon the Defendants by Plaintiff; however, Defendants have failed or refused to pay.

21. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

22. The amount due and owing Plaintiff by Defendants under the Note and Mortgage as of January 26, 2007 is as follows:

Principal Balance	$124,590.26
Interest as of 1/26/07	$ 733.41
Late Fees as of 1/26/07	$ 110.32
Total	**$125,433.99**

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow

deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of **$125,433.99**, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage and for foreclosure and sale of the Mortgaged Premises.

SUMMARY OF COUNTS I AND II

WHEREFORE, Plaintiff demands Judgment in Mortgage Foreclosure in the aggregate amount of **$320,924.08** plus interest from January 26, 2007 at the contractual rate(s), additional late charges, escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and Second Note and for foreclosure and sale of the Mortgaged Premises.

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: 412-281-4333
Facsimile: 412-281-2141

$ 265,000.00 **DEMAND PROMISSORY NOTE** Loan # 041264 Dated January 26, 1999

Debtor Andrew Batcho of 110 E. Pauline I Clearfield, PA 16830

Debtor Andrew G. Batcho of RR 2, Box 264A, Clearfield, PA 16830

FOR VALUE RECEIVED AND INTENDING TO BE LEGALLY BOUND HEREBY, the person or persons who sign as debtor below (each jointly and severally liable if more than one person and hereinafter referred to as "Debtor"), promises to pay to the order of CLEARFIELD BANK & TRUST CO., Clearfield, Pennsylvania 16830 ("Lender"), at any of Lender's branch offices,

the Principal sum of --Two Hundred Sixty Five Thousand and 00/100---------- Dollars in lawful money of the United States, to be paid as follows:

Principal is payable on Demand together with the accured interest then outstanding, but if no demand is made by Lender then: 60 monthly principal and interest installments of $2,300.40 commencing on the 26 day of February, 1999 and continuing on the 26 day of each month thereafter. Subsequent monthly principal and interest installments will be based on a variable interest rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. The remaining payment schedule will amortize the loan over the final 180 month term. Any increase or decrease in the amount of interest due caused by early or late payments will be reflected in the final installment, which will be modified accordingly. Interest from the date of this Note shall accrue on the unpaid Principal balance hereof at the rate of 8.50% will be fixed for the first five year time period only. Interest thereafter will be at a variable rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. Borrower and Lender may agree to fix the interest rate after the initial 5 year term for similar 5 year time periods. and shall be payable monthly as billed.

If a payment is made more than 15 days after its scheduled due date, a late charge of 5% of the payment amount or a minimum of $5.00 will be charged.

SECURITY INTEREST: As security for the prompt payment as and when due of all amounts due under this Note, including any renewals, extensions and/or modifications thereof, together with all other existing and future liabilities and obligations of Debtor, or any of them, to Lender whether absolute or contingent, of any nature whatsoever and out of whatever transactions arising (hereinafter collectively referred to as the "Liabilities"), in addition to any other security agreement or document granting Lender any rights in any of Obligor's ("Obligor", as used herein, shall include Debtor and all other persons liable, either absolutely or contingently, on the Liabilities, including endorsers, sureties and guarantors) property for the purpose of securing the Liabilities, Obligor acknowledges Lender's right of set-off and further hereby grants to Lender a lien and security interest in and to all property of Obligor, or any of them, which at any time Lender shall have in its possession, or which is in transit to it, including without limitation any balance or share belonging to Obligor, or any of them, of any deposit, agency, trust, escrow or other account or accounts with Lender and any other amounts which may be owing from time to time by Lender to Obligor, or any of them. Said lien and security interest shall be independent of Lender's right of set-off, which, if exercised, shall be deemed to occur at the time Lender first restricts access of Obligor to property in Lender's possession, although such set-off may be entered upon Lender's books and records at a later time.

☐ If checked, Debtor agrees that this Note is a renewal of the Promissory Note dated _____, 19____, and that whether or not additional funds are advanced herewith, this Note is not intended to create a totally new debt. If Lender was given a purchase money or other security interest in connection with the prior Promissory Note, that security interest shall be retained by Lender in connection with this Note.

UNCONDITIONAL LIABILITY: Obligor's liability shall be unconditional and without regard to the liability of any other Obligor, and shall not be affected by any indulgence, extension of time, renewal, waiver or modification of this Note, or the release, substitution and/or addition of collateral security for this Note. Obligor consents to any and all extensions of time, renewals, waivers or modifications, as well as to the release, substitution or addition of Obligors and/or collateral security, without notice to Obligor and without affecting Obligor's liability hereunder or under the Liabilities.

This Note is entitled to the benefits of any loan agreement(s), surety and/or guaranty agreement(s), security agreement(s), mortgage(s), assignment(s), and/or other such loan documents (referred to as the "Loan Documents") issued in connection with the Liabilities, whether executed previously to or concurrently with, or to be executed subsequent to, this Note, and which may be amended, modified, renewed or substituted without affecting in any way the validity or enforceability of this Note.

EVENTS OF DEFAULT: Each of the following shall be an "Event of Default" hereunder: (1) the nonpayment when due, or if this is a demand obligation, upon demand, of any amount payable under this Note or of any amount when due under or on any of the Liabilities, or the failure of any Obligor to observe or perform any agreement of any nature whatsoever with Lender, including, but not limited to, those contained in the Loan Documents; (2) if any Obligor becomes insolvent or makes an assignment for the benefit of creditors, or if any petition is filed by or against any Obligor under any provision of any state or federal law or statute alleging that such Obligor is insolvent or unable to pay debts as they mature or under any provision of the Federal Bankruptcy Code; (3) the entry of any judgment against any Obligor or any of Obligor's property which remains unsatisfied for fifteen (15) days; (4) the issuing of any attachment, levy or garnishment against any property of any Obligor; (5) the occurrence of any substantial change in the financial condition of any Obligor which, in the sole, reasonable good faith judgment of Lender is materially adverse; (6) the sale of all or substantially all of the assets, or change in ownership, or the dissolution, liquidation, merger, consolidation or reorganization of any Obligor which is a corporation or partnership, without the express prior written consent of Lender; (7) the death, incarceration or adjudication of legal incompetence of any Obligor who is a natural person; (8) if any information or signature furnished to Lender by any Obligor at any time in connection with any of the Liabilities, or in connection with any guaranty or surety agreement applicable to any of the Liabilities, is false or incorrect; or (9) the failure of any Obligor to timely furnish to Lender such financial and other information as Lender may reasonably request or require.

LENDER'S RIGHTS UPON DEFAULT: Notwithstanding anything to the contrary contained herein or elsewhere or the fact that Debtor may be required to make Principal and/or interest payments from time to time, if this Note is payable upon demand, Lender may demand payment of all outstanding Principal and accrued interest at any time, whether or not an Event of Default shall have occurred. In any event, upon the occurrence of an Event of Default, Lender may do any or all of the following:

(1) accelerate the maturity of this Note and demand immediate payment of all outstanding Principal and accrued interest. Debtor agrees to pay interest at the rate provided in this Note on all such sums until Lender has actually received payment in full thereof, even if Lender has obtained judgment against Debtor therefor;
(2) pursuant to the Warrant of Attorney contained herein, confess judgment against Debtor, or any of the;
(3) exercise Lender's right of set-off and all of the rights, privileges and remedies of a secured party under Pennsylvania Uniform Commercial Code and all of its rights and remedies under any security agreement, pledge agreement, assignment, mortgage, power, this Note or any other note, or other agreement, instrument or document issued in connection with or arising out of any of the Liabilities, all of which remedies shall be cumulative and not alternative. The net proceeds of any collateral held by Lender as security for any of the Liabilities shall be applied first to the expenses of Lender in preparing the collateral for sale, selling and the like, including, without limitation, reasonable attorney's fees and expenses incurred by Lender (including fees and expenses of any litigation incident to any of the foregoing), and second, in such order, as Lender may, in its sole discretion, elect, to the complete satisfaction of all of the Liabilities together with all interest thereon. Obligor waives and releases any right to require Lender to collect any of the Liabilities to Lender from any or all collateral under any theory of marshalling of assets or otherwise, and specifically authorizes Lender to apply any collateral in which Obligor has any right, title or interest against any of the Obligor's Liabilities to Lender in any manner that Lender may determine.
(4) Upon five (5) days written notice to Debtor, begin accruing interest, in addition to the interest provided above, if any, at a rate not to exceed four percent (4%) per annum on the unpaid Principal balance; provided, however, that no interest shall accrue hereunder in excess of the maximum amount of interest then allowed by law. Debtor agrees to pay such accrued interest upon demand.

WARRANT OF ATTORNEY: Debtor, and each of them if more than one, hereby irrevocably authorizes and empowers any Attorney or any Clerk of any court of record prior to, upon or after the occurrence of any Event of Default, as specified above, to appear for and CONFESS JUDGMENT against Debtor, or any of them, (a) for such sums as are due and/or may become due on the Liabilities, and/or (b) in any action of replevin instituted by Lender to obtain possession of any collateral securing this Note or securing any of the Liabilities, in either case with or without declaration, with costs of suit, without stay of execution and with an amount not to exceed fifteen percent (15%) of the unpaid principal amount of such judgment, but not less than One Thousand Dollars ($1,000.00), added for attorney's collection fees. Debtor: (1) waives the right of inquisition on any real estate levied on, voluntarily condemns the same, authorizes the Prothonotary or Clerk to enter upon the Writ of Execution said voluntary condemnation and agrees that said real estate may be sold on a Writ of Execution; (2) to the extent permitted by law, waives and releases all relief from all appraisement, stay, exemption, appeal laws of any state now in force or hereafter enacted; and (3) releases all errors in such proceedings. A copy of this Note, verified by affidavit by or on behalf of Lender shall have been filed in such action, it shall be necessary to file the original Note as a Warrant of Attorney. The authority and power to appear for and enter judgment against Debtor shall not be exhausted by the initial exercise thereof, and the same may be exercised from time to time, as often as Lender shall deem necessary and desirable, and this Note shall be a sufficient Warrant therefore. Lender may enter one or more judgments in the same or different counties for all or part of the Liabilities, without regard to whether judgment has been entered on more than one occasion for the same Liabilities. In the event any judgment entered against Debtor hereunder is stricken or opened upon application by or on Debtor's behalf for any reason whatsoever, Lender is hereby authorized and empowered to appear for and confess Judgment against Debtor or any of them; subject, however, to the limitation that any subsequent entry or entries of judgment by Lender may only be done to cure any errors in or for proceedings only and to the extent that such errors are subject to cure in the later proceedings.

THE PROVISIONS ON THE REVERSE SIDE ARE PART OF THIS NOTE.

Debtor has duly executed this Note the day and year first above written and has hereunto set Debtor's hand and seal.

(INDIVIDUAL DEBTOR(S) SIGN BELOW)

_____ (SEAL)
Name Andrew Batcho

_____ (SEAL)
Name Andrew G. Batcho

_____ (SEAL)
Name

(CORPORATION OR PARTNERSHIP DEBTOR(S) SIGN BELOW)

_____
Name of Corporation or Partnership

By: _____
Name and Title

Attest: _____ (CORPORATE SEAL)
Name and Title

BANCONSUMER FORM PA 170 (Rev. 12/85)

©1985 BANCONSUMER SERVICE

EXHIBIT
tabbies
A

PREPAYMENTS: Unless otherwise agreed to in writing by Debtor, this Note may be prepaid in whole or in part, at any time without penalty. However, if the Principal of this Note is repayable in installments, any such prepayments shall be applied first to accrued interest to the date of prepayment and then on account of the last remaining unpaid Principal payment to become due, and the number of installments due hereunder shall be correspondingly reduced. No such prepayments shall reduce the amounts of the scheduled installments nor relieve Debtor from paying a scheduled installment on each installment payment date until all Principal due together with accrued interest thereon has been paid in full.

DISBURSEMENT OF PROCEEDS: Each Debtor hereby represents and warrants to Lender that the Principal of this Note will be used solely for business or commercial purposes and agrees that any disbursement of the Principal of this Note, or any portion thereof, to any one or more Debtors, shall conclusively be deemed to constitute disbursement of such Principal to and for the benefit of all Debtors.

RIGHT TO COMPLETE NOTE: Lender may at any time and from time to time, without notice to any Obligor: (1) date this Note as of the date when the loan evidenced hereby was made; (2) complete any blank spaces according to the terms upon which Lender has granted such loan; and (3) cause the signature of one or more persons to be added as additional Debtors without in any way affecting or limiting the liability of the existing Obligors to Lender.

MISCELLANEOUS: Debtor hereby waives protest, notice of protest, presentment, dishonor, notice of dishonor and demand. Debtor hereby waives and releases all errors, defects and imperfections in any proceeding instituted by Lender under the terms of this Note. Debtor agrees to reimburse Lender for all costs, including court costs and reasonable attorney's fees of 15% (but in no event less than $1,000) of the total amount due hereunder, incurred by Lender in connection with the collection and enforcement hereof. If this Note bears interest at a rate based on the reference rate designated by Lender or others from time to time as the Prime Rate, Base Rate, or otherwise, or the Discount Rate in effect from time to time as set by the Federal Reserve Bank in whose district the Lender is located, changes in the rate of interest hereon shall become effective on the day on which such reference rate changes or that Federal Reserve Bank announces changes in its Discount Rate, as applicable. The rights and privileges of Lender under this Note shall inure to the benefit of its successors and assigns. All representations, warranties and agreements of Obligor made in connection with this Note shall bind Obligor's personal representatives, heirs, successors and assigns. If any provision of this Note shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Note shall be construed as if such invalid or unenforceable provision had never been contained herein. The waiver of any Event of Default or the failure of Lender to exercise any right or remedy to which it may be entitled shall not be deemed a waiver of any subsequent Event of Default or of Lender's right to exercise that or any other right or remedy to which Lender is entitled. This Note has been delivered to and accepted by Lender in and shall be governed by the laws of the Commonwealth of Pennsylvania, unless Federal law otherwise applies. The parties agree to the jurisdiction of the federal and state courts located in Pennsylvania in connection with any matter arising hereunder, including the collection and enforcement hereof.

GUARANTY AND SURETYSHIP AGREEMENT

WHEREAS, **Andrew Batcho and Andrew G. Batcho**, (hereinafter called "Borrower") desires to transact business with and to obtain credit or a continuation or renewal of credit from **Clearfield Bank & Trust Company** (hereinafter called "Bank"); and

WHEREAS, Bank is unwilling to extend or continue credit or any renewal thereof to Borrower without this Guaranty;

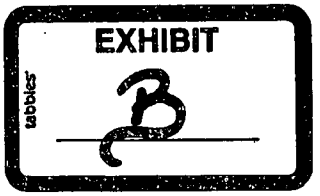
NOW, THEREFORE, in order to induce Bank to extend, continue, or renew credit to Borrower, and in consideration of the premises and the sum of $1.00 and of other good and valuable consideration, the undersigned, as surety, subject to the limitation, if any, hereinafter set forth in Paragraph 1, hereby absolutely and unconditionally guarantees to Bank prompt payment when due and at all times thereafter of any and all existing and future indebtedness and liability of every kind, nature and character (including all renewals, extensions and modifications thereof) from Borrower to Bank, howsoever and whensoever created or arising or evidenced or acquired.

1. The amount of the undersigned's liability hereunder shall be $ 265,000.00. The undersigned agrees that the amount of Borrower's liabilities to Bank may from time to time exceed the undersigned's liability hereunder without in any way affecting or impairing the liability of the undersigned hereunder.

2. This Guaranty is made and shall continue as to any and all indebtedness and liability of Borrower to Bank incurred or arising without regard to collateral or security or guaranties or other obligers, if any, or to the validity or effectiveness of any and all thereof; and any and all such collateral and security and guaranties and other obligers, if any, may from time to time without notice to, or consent of the undersigned, be sold, released, surrendered, exchanged, settled, compromised, waived, subordinated or modified, with or without consideration, on such terms or conditions as may be acceptable to Bank, without in any manner affecting or impairing the liability of the undersigned hereunder. The termination of this Guaranty, in the manner aforesaid, shall not relieve the undersigned from liability upon any indebtedness or liability of Borrower existing at the time of such termination.

3. The undersigned's liability hereunder is several and is independent of any other guaranties at any time in effect with respect to all or any part of the indebtedness or liability of Borrower to Bank, and may be enforced regardless of the existence of any such other guaranties. This is an agreement of suretyship as well as of guaranty, and without being required to proceed first against Borrower or any other person or entity, or against any collateral or other security for Borrower's obligations to Lender, Lender may proceed directly against the undersigned whenever Borrower fails to make any payment when due, or otherwise fails to perform any obligation now or hereafter owed to Bank.

4. The undersigned hereby waives all notices of any character whatsoever with respect to this Guaranty and Borrower's obligations or liabilities to Bank including, but not limited to: notice of acceptance hereof; notice of the creation, existence, amendment, modification,



waiver, renewal, extension or acquisition of any obligation or liability hereby guaranteed; notice of any adverse change in Borrower's financial condition of which Bank acquires knowledge or of any other fact affecting the undersigned's risk hereunder; and notice of default by Borrower or any other guarantor of Borrower's obligations or liabilities. The undersigned further waives presentment, demand, protest, and notice thereof as to any instrument representing indebtedness covered by this Guaranty, as well as any right to require Bank to sue or otherwise enforce payment thereof. In addition, the undersigned waives the benefit of all laws now or hereafter in effect in any way limiting or restricting the liability of the undersigned hereunder and waives all defenses whatsoever to undersigned's liability hereunder other than payment.

5. If any of Borrower's obligations or liabilities to Bank are not duly performed, including the prompt payment when due of any amount payable thereunder, and if Bank is prevented from accelerating payment thereunder, (whether because of bankruptcy, insolvency, or reorganization or any other reason) all of Borrower's liabilities to Bank shall, at Bank's option, be deemed to be forthwith due and payable for the purposes of this Guaranty and the liability of the undersigned hereunder.

6. In addition to all other liability of the undersigned hereunder and notwithstanding the limit, if any, set forth in Paragraph 1 hereof, the undersigned also agrees to pay to Bank on demand all costs and expenses (including reasonable attorney's fees and legal expenses) which may be incurred in the enforcement of the Borrower's liabilities to Bank or the liability of the undersigned hereunder.

7. The undersigned hereby authorizes and empowers any Prothonotary, Clerk or Attorney of any Court of Record prior to, upon or after the occurrence of any Event of Default, as specified above, to appear for and confess judgment against the undersigned in favor of Bank, its successors or assigns, for the sum set forth in Paragraph 1 hereof, with or without declaration filed, with interest and costs, release of error, without stay of execution and with reasonable attorney's fees; and the undersigned further authorizes the immediate issuing of an appropriate writ of execution upon which real or personal property may be sold without delay as provided by law or the rules of civil procedure governing the enforcement of judgments; and the undersigned also waives the right of inquisition on any real estate that may be levied upon to collect the amount due under a judgment obtained by virtue hereof, and undersigned does hereby voluntarily condemn the same and hereby waives and releases all relief from any and all appraisement, stay, exemption or homestead laws of any state, now in force, or hereafter passed, and any right to except to, strike off, open or appeal from the judgment so entered; and if a true copy of this instrument shall be filed in any such action, it shall not be necessary to file the original as a warrant of attorney, any rule of court to the contrary notwithstanding.

No single exercise of the foregoing warrant and power to confess judgment shall be deemed to exhaust the power, but it shall continue undiminished and may be exercised from time to time as often as Bank shall elect, until all sums payable by the undersigned have been paid in full.

8. To secure all obligations of the undersigned hereunder, Bank shall have a lien upon and security interest in and may, without demand or notice of any kind, at any time and from time to time when any amount shall be due and payable by such undersigned hereunder, appropriate and apply toward the payment of such amount, in such order of application as Bank may elect; any and all balances, credits, deposits, accounts or moneys of or in the name of undersigned now or hereafter with Bank, whether held in a general or special account for deposit or for safekeeping or otherwise, and any and all property of every kind or description of or in the name of such undersigned now or hereafter, for any reason or purpose whatsoever, in the possession or control of Bank.

9. The liability of the undersigned under this Guaranty shall be unconditional and irrevocable, irrespective of (a) the genuineness, validity or enforceability of any document executed and delivered to Bank by Borrower to evidence or secure any obligation or liability of Borrower to Bank, (b) any limitation of liability of Borrower contained in any such document, (c) the existence of any collateral or other security given to secure such obligations and liabilities, (d) impossibility or the illegality of performance on the part of Borrower of its obligations or liabilities to Bank, (e) the sale or transfer of all or any portion of the collateral or other security for such obligations or liabilities, (f) any defense that may arise by reason of the incapacity or lack of authority of Borrower, (g) the failure of Bank to file or enforce a claim against the estate of Borrower in any bankruptcy or other proceeding; or (h) any other circumstance, occurrence or condition, whether similar or dissimilar to any of the foregoing, which might otherwise constitute a legal or equitable defense, discharge or release of a guarantor or surety. If Borrower defaults, this Guaranty shall remain in full force and effect until all sums due Bank by Borrower have been indefeasibly paid in full to Lender and until all such sums received by Lender are not subject to rescission, or repayment upon the bankruptcy, insolvency, or reorganization of Borrower.

10. If the undersigned consists of more than one person, such persons shall be jointly and severally liable hereunder. This Guaranty shall inure to the benefit of Bank, its successors, assigns, endorsees and any person or entity, to whom or which Bank may grant any interest in Borrower's obligations or liabilities to Bank or any of them, and shall be binding upon the undersigned and the undersigned's executors, administrators, heirs, successors, assigns and other legal representatives. The undersigned intends this to be a sealed instrument and to be legally bound hereby.

WITNESS the due execution hereof this 26th day of January, 1999.

ATTEST OR WITNESS:

Batcho Business Machines, Inc.

BY: _____ (SEAL)

_____ (SEAL)

ADDRESS: 110 E. Market St., Clearfield, PA 16830

MORTGAGE

This Mortgage is made this 26th day of January, 19 99 between the Mortgagor Andrew Batcho & Andrew G. Batcho (herein "Borrower") and the MORTGAGEE, CLEARFIELD BANK & TRUST COMPANY, a corporation organized and existing under the law of Pennsylvania, whose address is 11 North Second Street, Clearfield, PA 16830 (herein "Lender").

WHEREAS, Borrower and Lender have executed a Promissory Note concurrent herewith providing for a loan to Borrower from Lender of the Principal sum of Two Hundred Sixty Five Thousand ($265,000.00);

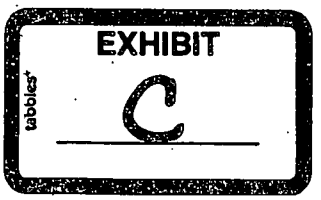
WHEREAS, said loan is also secured by a Promissory Note with Borrower as maker and Lender as holder, of even date herewith (herein "Note") providing for 240 installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on 1/26/2019.

NOW THEREFORE, as security for the repayment of the indebtedness evidenced by the Note and the Loan and Security Agreement, with interest thereon, and all renewals, extensions and modification; the payment of all other sums, with interest, advanced under paragraph 6 hereof to protect the security of this mortgage; and the performance of Borrower's covenants and agreements under this Mortgage, the Note and the Loan and Security Agreement; and for the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 22 hereof (herein "future advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Clearfield, State of Pennsylvania:

which has the address of 110 East Market Street (Street)
Clearfield, Pennsylvania 16830
(City) (Zip Code)
(herein "Property Addresses");

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

TOGETHER WITH all leases and other agreements affecting the use and occupancy of the Property now or hereafter entered into, all licenses and agreements relating to the operation or maintenance of the Property and all rights of Borrower to payment under any such agreement, which is at the time not yet earned by performance (all such leases, licenses and other agreements and such rights thereunder are hereinafter referred to individually as a "Contract Right" or a "lease" and collectively as "Contract Rights or Leases");



PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

TOGETHER WITH all rents, receipts, deposits, issues, profits and other income of any and all kinds received or receivable and due or to become due from the sale or lease of all or a portion of the Property (all of such proceeds, receipts and income are hereinafter collectively referred to as the "Income and Rents" and all such rights are hereinafter referred to individually as an "Account Receivable" and collectively as "Accounts Receivable");

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record listed in the Certificate of title delivered to Lender by Borrower's counsel concurrent with the execution and delivery of this Mortgage. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record accepted by Lender.

BORROWER AND LENDER covenant and agree as follows:

1. **Payment of Principal and Interest.**
Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Application of Payments.**
Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to interest due; and last, to principal due.

3. **Charges; Liens.**
Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

4. **Hazard Insurance.**
Borrower shall keep the improvements now existing or hereafter erected on the property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. 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 Borrower subject to Lender's approval which shall not be unreasonable withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgagee clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30 day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1. If under paragraph 17 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

5. **Preservation and Maintenance of Property; Leaseholds.**
Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

6. **Protection of Lender's rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in THE PROPERTY *such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), the Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

7. **Inspection.**
Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

8. **Condemnation.**
The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking or any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following faction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

9. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refused to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

10. **Remedies Cumulative.** All remedies provided in this mortgage are distinct and cumulative to any other right or remedy under this Mortgage or under the Note or Loan and Security Agreement or afforded by law or equity and may be exercised concurrently, independently or successively.

11. **Successors and Assigns Bound; Joint and Several Liability; Cosigners.** The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Mortgage but does not execute the Note: (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Mortgage; (b) is not personally obligated to pay the sums secured by this Mortgage; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note, Loan and Security Agreement or this Mortgage unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted by paragraph 17.

14. **Notices.**
Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address for any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.**
This Mortgage shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that a provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision. To this end the provisions of this Mortgage and the Note are declared to be severable.

16. **Transfer of the Property or a Beneficial Interest in Borrower.**
If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercised this option, Lender shall give Borrower notice of acceleration. Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

17. **Acceleration; Remedies.**
Upon default by Borrower of any covenant or agreement in the Note, Loan and Security Agreement or this Mortgage, Lender at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, attorney's fees and cost of title evidence to the extent permitted by applicable law.

18. **Lender in Possession.**
Upon acceleration under paragraph 17 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage.

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

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

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

22. **Future Advances.**
Upon request of Borrower, Lender, at Lender's option prior to release of this mortgage, may make future advances to Borrower. Such future advances, with interest thereon, shall be secured by this mortgage when evidenced by a Promissory Note stating that said Notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note.

23. **Environmental Hazards.**
Borrower agrees that Borrower:

(a) (1) shall not generate, transfer, store, dispose of, or permit or suffer to be generated, transferred, stored or disposed of hazardous or toxic waste in, upon, or under the Property except in strict accordance with federal and Pennsylvania laws, rules, regulations and permits; and (2) shall reimburse the Lender on demand, for all costs expended by the Lender or which the Lender is required to pay to any governmental agency or otherwise for environmental audits, studies, inspections, cleanup, removal, or transportation with respect to or from the Property of hazardous or toxic wastes; (3) Borrower provides Lender access to the property at all times to perform its due diligence;

(b) shall not discharge or release or permit or suffer to be discharged or released hazardous or toxic substances in, upon, or under any land or soil which is included in the Property in such a way that such substances become discharged or released upon any such land or soil;

(c) shall comply with all orders or decrees now or hereafter issued by any federal, state or local governmental agency concerning the generation, transfer, storage or disposal or hazardous or toxic substances or the discharge or release of the same in, on under or from the Property or requiring the clean-up or elimination of hazardous or toxic substances in, upon, under, or from the Property;

(d) shall promptly reimburse any federal or state governmental agency which has expended funds or incurred costs or expenses for environmental audit, study or inspection of the Property or for cleanup, removal or elimination of hazardous or toxic substances in, upon, or under the Property;

(e) where permits are issued or required by any federal or state agency related to or with respect to the Property, the Borrower shall submit annual reports to the Lender showing compliance with such permits; and

(f) shall report or submit to the Lender promptly: (1) any request received by the Borrower for information, inquiry, investigation, notice or violation, administrative order, penalty assessment, suit, or directive from any federal, state or local agency concerning the Property and toxic or hazardous substances, environmental pollution, health risk or safety risk at the Property, and (2) notice of any suit brought by any person or entity alleging any environmental damage or threat, nuisance, non-compliance or health or safety risk related to the Property.

(g) Any violation authorizes Lender to cancel any commitment to advance funds under any note secured by this mortgage, to accelerate any amounts outstanding on this note, or any other note, or allow for foreclosure to be instituted immediately.

24. **Riders to this Mortgage.**
If one or more riders are executed by Borrower and recorded together with this Mortgage, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider(s) were a part of this Mortgage [check applicable box(es)]

[ ] Adjustable Rate Rider [ ] Condominium Rider

[ ] 2-4 Family Rider [ ] Graduated Payment Rider

[ ] Planned Unit Development Rider

[X] Other(s) [specify] Property Description Rider

SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with it.

Witnesses:

_____

_____

_____ (Seal)
Borrower
ANDREW BATCHO

_____ (Seal)
Borrower
ANDREW G. BATCHO

COMMONWEALTH OF PENNSYLVANIA:

: ss.

COUNTY OF CLEARFIELD :

On this, the 26th day of January, 1999, before me the undersigned officer, personally appeared Andrew Batcho and Andrew G. Batcho, known to me (or satisfactorily proven) to be the person whose names are subscribed to the within instrument and acknowledged that she executed the same for the purposes herein contained.

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

Notary Public

My Commission Expires:

I certify that the precise address of the within named lender is P.O. Box 171, Clearfield, PA 16830

Signature Richard H. Milgrub, Attorney at Law

KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY, PA
Pennsylvania

INSTRUMENT NUMBER
199901341
RECORDED ON
Jan 27, 1999
1:56:52 PM

RECORDING FEES - RECORDER	$25.00
COUNTY IMPROVEMENT FUND	$1.00
RECORDER IMPROVEMENT FUND	$1.00
STATE WRIT TAX	$0.50
TOTAL	$27.50

ANDREW G BATCHO LINDA L BATCHO TDBA BATCHO OFFICE SYSTEMS 814 BARCLAY ST CLEARFIELD PA 16830-1204 **BORROWER'S NAME AND ADDRESS** "I" includes each borrower above, joint and severally.	CLEARFIELD BANK & TRUST COMPANY 11 N. SECOND ST, P O BOX 171 CLEARFIELD, PA 16830 **LENDER'S NAME AND ADDRESS** "You" means the lender, its successors and assigns.	Loan Number 884219 Date 10/25/02 Maturity Date 10/25/12 Loan Amount $ 185,000.00 Renewal Of 688916

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of One hundred eighty five thousand & no/100 Dollars $ 185,000.00

☒ **Single Advance:** I will receive all of this principal sum on 10/25/02. 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 OCTOBER 25, 2002 at the rate of 7.5000 % per year until OCTOBER 25, 2007.

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

☒ **Index Rate:** The future rate will be 1.000% 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 _____. 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: CR REPORT, DOC PREP, PROPERTY REPORT FEES $130.00

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 120 payments. The first payment will be in the amount of $ 2,206.40 and will be due NOVEMBER 25, 2002. A payment of $2,206.40 will be due Monthly thereafter. The final payment of the entire unpaid balance of principal and interest will be due OCTOBER 25, 2012.

☒ **WARRANT OF AUTHORITY TO CONFESS JUDGMENT.** Upon default, in addition to all other remedies and rights available to you, by signing below Borrower irrevocably authorizes the prothonotary, 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.

LB

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 5 YEAR TERM. INTEREST WILL ACCRUE BASED UPON THE VARIABLE RATE AS DISCLOSED ABOVE.

PURPOSE: The purpose of this loan is CONSOLIDATION

☒ **SECURITY:** This note is separately secured by (describe separate document by type and date):
SECURITY AGREEMENT AND MORTGAGE DATED MAY 9,2000
(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

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

ANDREW G BATCHO

LINDA L BATCHO

TDBA BATCHO OFFICE SYSTEMS

Signature for Lender

WILLIAM A. SHINER
SR VICE PRESIDENT

EXHIBIT A

DEFINITIONS: As used on page 1, "[X]" mean[s] the terms that apply to this loan. "I," "me" or "my" means each Borr[ower] who signs this note and each other person or legal entity (inc[luding] guarantors, endorsers, and sureties) who agrees to pay this note [or] [is] otherwise referred to as "us"). "You" or "your" means the Lender and its s[uc]cessors and assigns.

APPLICABLE LAW: The law of the state of Pennsylvania will govern this note. Any term of this note which is contrary to applicable law will not be effective, unless the law permits you and me to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement. Any provision that appoints you as an agent is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code). By exercising any of your rights under this note, you do so for your sole benefit.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity): If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the earliest of the following:

(a) the date of the last scheduled payment indicated on page 1 of this note;
(b) the date you accelerate payment on the note; or
(c) after the entry of judgment on this note by confession or otherwise and applies to amounts owed under this note on any such judgment until paid in full.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

ADVANCE PROCEDURE AND MEANS: You will advance the loan proceeds by way of check, cash, wire transfer, credit to an account or any combination as You and I agree. The advance(s) will occur upon consummation of the loan and as You and I agree, except that no advance(s) will occur until after three business days from the date of consummation if the loan is rescindable pursuant to Regulation Z (12 C.F.R. § 226).

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:
(1) any deposit account balance I have with you;
(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and
(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a representative. It also [does] not apply to any Individual Retirement Account or other tax-de[ferred] retirement account.

You will not be liable for the [dishonor] of any check when the dishonor occurs because you set off this [debt] against any of my accounts. I agree to hold you harmless from any such claims arising as a result of your exercise of your right of set-off.

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season; (11) 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.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).
(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "Set-Off" paragraph herein.
(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.
(4) You may refuse to make advances to me or allow purchases on credit by me.
(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights (to the extent permitted by law) to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);
(2) obtain official certification of nonpayment (protest); or
(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may do so without any notice that it has not been paid (notice of dishonor). You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval.

CREDIT INFORMATION: I agree and authorize you to obtain credit information about me from time to time (for example, by requesting a credit report) and to report to others your credit experience with me (such as a credit reporting agency). I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is on page 1. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this agreement, or to any other address that you have designated.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH:
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
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/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /

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KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY
Pennsylvania

INSTRUMENT NUMBER
200003646 73
RECORDED ON
MAY 15, 2000
3:11:21 PM

RECORDING FEES - $23.00
RECORDER
IMPROVEMENT $1.00
IMPROVEMENT FUND $1.00
STATE WRIT TAX $0.50
TAX $25.50

C87C

Commonwealth of Pennsylvania — Space Above This Line For Recording Data

OPEN-END MORTGAGE

This Mortgage secures future advances

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is MAY 09, 2000 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: ANDREW G BATCHO
ANDREW BATCHO

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

LENDER: CLEARFIELD BANK & TRUST COMPANY
11 N. SECOND ST, P O BOX 171
CLEARFIELD, 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:

SEE ATTACHED DESCRIPTION

EXHIBIT
E

The property is located in CLEARFIELD (County) at
110 E MARKET ST (Address), CLEARFIELD (City), Pennsylvania 16830 (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").

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3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed $ .....200,000.00..... . 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.)*

   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.

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PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel J. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

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:

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.

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_____ _____ _____ _____

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.

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. If Mortgagor becomes subject to a voluntary or involuntary bankruptcy, Mortgagor agrees that Lender is entitled to receive relief from the automatic stay in bankruptcy for the purpose of making this assignment effective and enforceable under state and federal law.

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.

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_____ _____ _____ _____

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.

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_____ _____ _____ _____

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.

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_____ _____ _____ _____

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 appraisement 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.**

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_____ _____ _____ _____

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: .....

(Signature) ANDREW G BATCHO (Date)

(Witness)

(Signature) (Date)

(Witness)

Entity Name: .....

(Signature) ANDREW BATCHO (Date)

(Witness)

(Signature) (Date)

(Witness)

ACKNOWLEDGMENT:

(Individual)

COMMONWEALTH OF Pennsylvania, COUNTY OF Clearfield } ss.
On this, the 9th day of May 2000, before me Rebecca A. Coleman,
the undersigned officer, personally appeared Andrew G. Batcho & Andrew Batcho,
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
REBECCA A COLEMAN, NOTARY PUBLIC
CLEARFIELD BORO, CLEARFIELD COUNTY
MY COMMISSION EXPIRES JUNE 25, 2001

Rebecca A. Coleman
Notary Public

Title of Officer

REBECCA A. COLEMAN
NOTARY PUBLIC
CLEARFIELD BORO, CLEARFIELD COUNTY
PENNSYLVANIA

(Business or Entity Acknowledgment)

COMMONWEALTH OF ....., COUNTY OF ..... } ss.
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, 11N SECOND, CLEARFIELD PA 16830

William A. Shiner
WILLIAM A. SHINER
SR VICE PRESIDENT

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14-P

VERIFICATION

Lori A. Kurtz, Collection Manager and duly authorized representative of Clearfield Bank & Trust Company, deposes and says subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities, that the facts set forth in the foregoing Amended Complaint in Mortgage Foreclosure are true and correct to her information and belief.

CLEARFIELD BANK & TRUST COMPANY

By: _____
Lori A. Kurtz
Collection Manager

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

CLEARFIELD BANK & TRUST COMPANY, Plaintiff	:	
V.	:	NO. 07-275-CD
ANDREW BATCHO and ANDREW G. BATCHO, Defendants	:	

RULE RETURNABLE

AND NOW, this 23rd day of August, 2007, upon consideration of the foregoing Motion to Open Judgment, Amend Complaint and Amend Caption, it is the ORDER of this Court that Rule is issued upon the Defendant to appear and show cause why the relief requested therein should not be granted.

Rule made returnable for Hearing the 29th day of October, 2007, at 9:00 o'clock A. M., Clearfield County Courthouse, Courtroom No. 2.

BY THE COURT,

Paul E Cherry

PAUL E. CHERRY,
JUDGE

FILED
AUG 24 2007
0/9:30/w
William A. Shaw
Prothonotary/Clerk of Courts
3 CERT TO ATTY
FOR SER
(GK)

FILED

AUG 24 2007

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 8-24-07

X You are responsible for serving all appropriate parties.

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

___ Plaintiff(s) ___ Plaintiff(s) Attorney ___ Other

___ Defendant(s) ___ Defendant(s) Attorney

___ Special Instructions:

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

PRAECIPE FOR EXPEDITED DISPOSITION

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

FILED NO CC
m/ 1:08 BY
AUG 28 2007
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, NO.: 07-275-CD

Plaintiff,

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

PRAECIPE FOR EXPEDITED DISPOSITION

TO THE COURT ADMINISTRATOR:

Expedited disposition of the attached Motion is requested for the following reasons:

Judgment has already been entered against Defendant, Andrew Batcho and Defendant, Andrew G. Batcho. Plaintiff's Motion seeks to amend the Complaint in Mortgage Foreclosure to add a new Defendant, Linda L. Batcho, a terre-tenant who took possession of the mortgaged premises after the date the mortgage was recorded. A Sheriff's sale of the mortgaged premises was scheduled for September 7, 2007, but such sale was postponed upon discovery of the fact that the terre-tenant was not named as a Defendant in the above-captioned action.

Plaintiff seeks to minimize the interest and late charges which continue to accrue under the mortgage loan while this action is pending. Plaintiff believes that Defendants have abandoned the subject property. The subject property is in bad repair, and its condition continues to deteriorate.

For the foregoing reasons, Plaintiff respectfully requests expedited disposition of the attached Motion.

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Tel.: 412-281-4333; Fax: 412-281-2141

FOR COURT ADMINISTRATOR ACTION ONLY:

_____ Motion or Petition Assigned to Judge

_____ Counsel for Moving Party Notified of Judicial Assignment

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Petition for Return of Service was served on the following this 27th day of August, 2007, by first class U.S. mail, postage prepaid:

Andrew Batcho
110 East Pauline Street
Clearfield, PA 16830

Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Linda L. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

McGRATH & ASSOCIATES, P.C.

By: CMChristopher

Catherine Martin Christopher, Esquire
PA I.D. No: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: (412) 281-4333
Facsimile: (412) 281-2141

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

ORDER

AND NOW, this 29th day of August, 2007, upon Plaintiff's Motion to Open Judgment, Amend Complaint, and Amend Caption, it is hereby ORDERED, ADJUGDED and DECREED that:

(1) The judgment in the within action is opened;

(2) Plaintiff may amend its Complaint in Mortgage Foreclosure for the sole purpose of naming Linda L. Batcho as a Defendant in the within action; and

(3) The caption of the within action is hereby amended to be: "Clearfield Bank & Trust Company, Plaintiff, vs. Andrew Batcho, Andrew G. Batcho, and Linda L. Batcho, Defendants."

BY THE COURT:

Paul E Cleary

FILED 2cc
013:29:30 Atty Christopher
AUG 29 2007 (GK)

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 8/29/07

X You are responsible for serving all appropriate parties.

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

____ Plaintiff(s) ____ Plaintiff(s) Attorney ____ Other

____ Defendant(s) ____ Defendant(s) Attorney

____ Special Instructions:

FILED

AUG 29 2007

William A. Shaw
Prothonotary/Clerk of Courts

COPY

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

MOTION TO OPEN JUDGMENT, AMEND COMPLAINT, AND AMEND CAPTION

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO and ANDREW G. BATCHO,

Defendants.

MOTION TO OPEN JUDGMENT, AMEND COMPLAINT, AND AMEND CAPTION

NOW COMES Plaintiff, Clearfield Bank & Trust Company, by and through its attorneys, McGrath & Associates, P.C., and files this Motion to Open Judgment, Amend Complaint, and Amend Caption as follows:

1. Plaintiff, Clearfield Bank & Trust Company, is a financial institution with its principal place of business located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830 (hereinafter referred to as "Plaintiff").

2. Defendant, Andrew Batcho is an individual with a last known address of 110 East Pauline Drive, Clearfield, Pennsylvania 16830.

3. Defendant, Andrew G. Batcho is an individual with a last known address of 45 Rocky Bend Road, Clearfield, Pennsylvania 16830.

4. Defendant, Andrew Batcho and Defendant, Andrew G. Batcho are mortgagors of two mortgages executed in favor of Plaintiff on January 26, 1999 and May 9, 2000 (the "Mortgages"), which mortgages are security for two loans extended by Plaintiff.

5. The instant action was commenced on February 23, 2007, when Plaintiff filed a Complaint in Mortgage Foreclosure against Defendant, Andrew Batcho and Defendant, Andrew G.

Batcho, alleging default under the Mortgages. Default Judgment was duly entered against Defendant, Andrew Batcho and Defendant, Andrew G. Batcho on May 25, 2007 in the amount of $348,174.47 plus Prothonotary costs of $125.00.

6. After Defendant, Andrew Batcho and Defendant, Andrew G. Batcho executed the Mortgages in favor of Plaintiff, Defendant, Andrew Batcho and Defendant, Andrew G. Batcho conveyed title to the mortgaged premises to Defendant, Andrew G. Batcho and his wife, Linda L. Batcho by Deed dated October 24, 2005 and recorded on May 11, 2006 at Instrument Number 200607221. Defendant, Andrew G. Batcho and his wife, Linda L. Batcho, are the real and record owners of the mortgaged premises, and took title to the mortgaged premises under and subject to the liens of the Mortgages.

7. Because Linda L. Batcho is an owner of the mortgaged property, pursuant to Pa. R.C.P. 1144(a)(3), she should be included as a Defendant in the instant mortgage foreclosure action.

8. Plaintiff seeks to amend the Complaint in Mortgage Foreclosure for the sole purpose of naming Linda L. Batcho as a Defendant. The proposed Amended Complaint in Mortgage Foreclosure is attached hereto as Exhibit "1".

9. Upon the filing of the Amended Complaint in Mortgage Foreclosure, the caption of the within action should be: "Clearfield Bank & Trust Company, Plaintiff, vs. Andrew Batcho, Andrew G. Batcho, and Linda L. Batcho, Defendants."

WHEREFORE, Plaintiff respectfully requests that this Honorable Court enter an Order (1) opening the judgment in the within action; (2) granting Plaintiff leave to amend its Complaint to include Linda L. Batcho as a Defendant; and (3) amending the caption of the within action to be: "Clearfield Bank & Trust Company, Plaintiff, vs. Andrew Batcho, Andrew G. Batcho, and Linda L. Batcho, Defendants."

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: 412-281-4333
Facsimile: 412-281-2141

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Motion to Open Judgment, Amend Complaint, and Amend Caption was served on the following this 13th day of August, 2007, by first class U.S. mail, postage prepaid:

Andrew Batcho
110 E. Pauline Drive
Clearfield, PA 16830

Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

McGRATH & ASSOCIATES, P.C.

By: CMChristopher

Catherine Martin Christopher, Esquire
PA I.D. No: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: (412) 281-4333

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

CIVIL ACTION – AMENDED COMPLAINT IN MORTGAGE FORECLOSURE

I hereby certify that the address of the Plaintiff is:
11 N. Second Street, P.O. Box 171
Clearfield, PA 16830

and the last known address of Defendant, Andrew Batcho is:
110 East Pauline Drive
Clearfield, PA 16830

and the last known address of Defendants, Andrew G. Batcho and Linda L. Batcho is:
45 Rocky Bend Road
Clearfield, PA 16830

and the location of the property is:
110 East Pauline Drive
Clearfield, PA 16830

McGrath & Associates, P.C.

Attorneys for Plaintiff

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

EXHIBIT
1

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

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 SHOULD 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
Second & Market Streets
Clearfield, PA 16830
(814) 765-2641, Ext. 50-51

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO,
and LINDA L. BATCHO,

Defendants.

CIVIL ACTION – AMENDED
COMPLAINT IN MORTGAGE FORECLOSURE

NOW COMES Plaintiff, Clearfield Bank & Trust Company, by and through its attorneys, McGrath & Associates, P.C., and files this Amended Complaint in Mortgage Foreclosure as follows:

1. Plaintiff, Clearfield Bank & Trust Company, is a financial institution with its principal place of business located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830 (hereinafter referred to as "Plaintiff").

2. Defendant, Andrew Batcho is an individual with a last known address of 110 East Pauline Drive, Clearfield, Pennsylvania 16830.

3. Defendants, Andrew G. Batcho and Linda L. Batcho are husband and wife with a last known address of 45 Rocky Bend Road, Clearfield, Pennsylvania 16830 (Defendant, Andrew Batcho, Defendant, Andrew G. Batcho, and Defendant, Linda L. Batcho are sometimes hereafter referred to collectively as "Defendants").

COUNT I
$265,000.00 LOAN

4. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

5. On or about January 26, 1999, Defendant, Andrew Batcho, Defendant, Andrew G. Batcho, and Batcho Business Machines, Inc. obtained a loan from Plaintiff in the amount of $265,000.00 (hereinafter referred to as the "First Loan"). The First Loan is evidenced by a certain Promissory Note dated January 26, 1999, executed by Defendant, Andrew Batcho and Defendant, Andrew G. Batcho (hereinafter referred to as the "First Note"). A true and correct copy of said First Note is marked Exhibit "A", and attached hereto and made a part hereof.

6. In order to induce Plaintiff to make the First Loan, Defendant, Andrew Batcho and Defendant, Andrew G. Batcho became absolute and unconditional guarantors and sureties for the First Loan by executing a Guaranty and Suretyship Agreement ("Guaranty") dated January 26, 1999, a true and correct copy of which is marked Exhibit "B", and attached hereto and made a part hereof.

7. On or about January 26, 1999, as security for repayment of the debt evidenced by the First Note and Guaranty, Defendant, Andrew Batcho and Defendant, Andrew G. Batcho made, executed and delivered to Plaintiff a Mortgage in the original principal amount of $265,000.00 (hereinafter referred to as the "First Mortgage") on the premises commonly known as 110 East Market Street, Clearfield, Pennsylvania 16830 (hereinafter referred to as the "Mortgaged Premises"). Said First Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on January 29, 1999, at Instrument No. 199901341. A true and correct copy of the First Mortgage, containing a description of the Mortgaged Premises, is marked Exhibit "C", and attached hereto and made a part hereof.

8. Defendant, Andrew Batcho and Defendant, Andrew G. Batcho subsequently conveyed the Mortgaged Premises to Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho by Deed dated October 24, 2005, and recorded May 11, 2006 at Instrument Number 200607221. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho took title to the Mortgaged Premises under and subject to the lien of the First Mortgage.

9. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

10. The First Note and First Mortgage are in default as the result of the Defendants' failure to make the monthly installments of principal and interest when due.

11. Demand for payment has been made upon the Defendants by Plaintiff; however, Defendants have failed or refused to pay.

12. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

13. The amount due and owing Plaintiff by Defendants under the First Note and First Mortgage as of January 26, 2007 is as follows:

Principal Balance	$190,217.35
Interest as of 1/26/07	$ 4,449.76
Late Fees as of 1/26/07	$ 822.98
Total	$195,490.09

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by

the First Note and First Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of $195,490.09, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and First Mortgage and for foreclosure and sale of the Mortgaged Premises.

COUNT II
$185,000.00 LOAN

14. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

15. On or about October 25, 2002, Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho, together t/d/b/a Batcho Office Systems, obtained a loan from Plaintiff in the amount of $185,000.00 (hereinafter referred to as the "Second Loan"). The Second Loan is evidenced by a certain Note dated October 25, 2002, executed by Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho (hereinafter referred to as the "Second Note"). A true and correct copy of said Second Note is marked Exhibit "D", and attached hereto and made a part hereof.

16. The Second Note is secured by an Open-End Mortgage made, executed and delivered to Plaintiff by Defendant, Andrew Batcho and Defendant, Andrew G. Batcho on May 9, 2000 in the original principal amount not to exceed $200,000.00 (hereinafter referred to as the "Second Mortgage") also on the Mortgaged Premises. Said Second Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on May 15, 2000, at Instrument No. 200006678. A true and correct copy of the Second Mortgage, containing a description of the Mortgaged Premises, is marked Exhibit "E", and attached hereto and made a part hereof.

17. Defendant, Andrew Batcho and Defendant, Andrew G. Batcho conveyed the Mortgaged Premises to Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho by deed dated October 24, 2005, and recorded May 11, 2006 at Instrument Number 200607221. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho took title to the Mortgaged Premises under and subject to the lien of the Second Mortgage.

18. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

19. The Second Note and Second Mortgage are in default as the result of the Defendants' failure to make the monthly installments of principal and interest when due.

20. Demand for payment has been made upon the Defendants by Plaintiff; however, Defendants have failed or refused to pay.

21. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

22. The amount due and owing Plaintiff by Defendants under the Note and Mortgage as of January 26, 2007 is as follows:

Principal Balance	$124,590.26
Interest as of 1/26/07	$ 733.41
Late Fees as of 1/26/07	$ 110.32
Total	$125,433.99

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow

deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of $125,433.99, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage and for foreclosure and sale of the Mortgaged Premises.

SUMMARY OF COUNTS I AND II

WHEREFORE, Plaintiff demands Judgment in Mortgage Foreclosure in the aggregate amount of $320,924.08 plus interest from January 26, 2007 at the contractual rate(s), additional late charges, escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and Second Note and for foreclosure and sale of the Mortgaged Premises.

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: 412-281-4333
Facsimile: 412-281-2141

Debtor Andrew Batcho of 110 E. Pauline I Clearfield, PA 16830

Debtor Andrew G. Batch of RR 2, Box 264 Clearfield, PA 16830

FOR VALUE RECEIVED AND INTENDING TO BE LEGALLY BOUND HEREBY, the person or persons who sign as debtor below (each jointly and severally liable if more than one person and hereinafter referred to as "Debtor"), promises to pay to the order of

CLEARFIELD BANK & TRUST CO., Clearfield, Pennsylvania 16830 ("Lender");

at any of Lender's branch offices;

the Principal sum of --Two Hundred Sixty Five Thousand and 00/100---------- Dollars in lawful money of the United States, to be paid as follows:

Principal is payable on Demand together with the accured interest then outstanding, but if no demand is made by Lender then: 60 monthly principal and interest installments of $2,300.40 commencing on the 26 day of February, 1999 and continuing on the 26 day of each month thereafter. Subsequent monthly principal and interest installments will be based on a variable interest rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. The remaining payment schedule will amortize the loan over the final 180 month term. Any increase or decrease in the amount of interest due caused by early or late payments will be reflected in the final installment, which will be modified accordingly. Interest from the date of this Note shall accrue on the unpaid Principal balance hereof at the rate of 8.50% will be fixed for the first five year time period only. Interest thereafter will be at a variable rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. Borrower and Lender may agree to fix the interest rate after the initial 5 year term for similar 5 year time periods.

and shall be payable monthly as billed.

If a payment is made more than 15 days after its scheduled due date, a late charge of 5% of the payment amount or a minimum of $5.00 will be charged.

SECURITY INTEREST: As security for the prompt payment as and when due of all amounts due under this Note, including any renewals, extensions and/or modifications thereof, together with all other existing and future liabilities and obligations of Debtor, or any of them, to Lender whether absolute or contingent, of any nature whatsoever and out of whatever transactions arising (hereinafter collectively referred to as the "Liabilities"), in addition to any other security agreement or document granting Lender any rights in any of Obligor's ("Obligor", as used herein, shall include Debtor and all other persons liable, either absolutely or contingently, on the Liabilities, including endorsers, sureties and guarantors) property for the purpose of securing the Liabilities, Obligor acknowledges Lender's right of set-off and further hereby grants to Lender a lien and security interest in and to all property of Obligor, or any of them, which at any time Lender shall have in its possession, or which is in transit to it, including without limitation any balance or share belonging to Obligor, or any of them, of any deposit, agency, trust, escrow or other account or accounts with Lender and any other amounts which may be owing from time to time by Lender to Obligor, or any of them. Said lien and security interest shall be independent of Lender's right of set-off, which, if exercised, shall be deemed to occur at the time Lender first restricts access of Obligor to property in Lender's possession, although such set-off may be entered upon Lender's books and records at a later time.

☐ If checked, Debtor agrees that this Note is a renewal of the Promissory Note dated _____, 19____, and that, whether or not additional funds are advanced herewith, this Note is not intended to create a totally new debt. If Lender was given a purchase money or other security interest in connection with the prior Promissory Note, that security interest shall be retained by Lender in connection with this Note.

UNCONDITIONAL LIABILITY: Obligor's liability shall be unconditional and without regard to the liability of any other Obligor, and shall not be affected by any indulgence, extension of time, renewal, waiver or modification of this Note, or the release, substitution and/or addition of collateral security for this Note. Obligor consents to any and all extensions of time, renewals, waivers or modifications, as well as to the release, substitution or addition of Obligors and/or collateral security, without notice to Obligor and without affecting Obligor's liability hereunder or under the Liabilities.

This Note is entitled to the benefits of any loan agreement(s), surety and/or guaranty agreement(s), security agreement(s), mortgage(s), assignment(s), and/or other such loan documents (referred to as the "Loan Documents") issued in connection with the Liabilities, whether executed previously to or concurrently with, or to be executed subsequent to, this Note, and which may be amended, modified, renewed or substituted without affecting in any way the validity or enforceability of this Note.

EVENTS OF DEFAULT: Each of the following shall be an "Event of Default" hereunder: (1) the nonpayment when due, or if this is a demand obligation, upon demand, of any amount payable under this Note or of any amount when due under or on any of the Liabilities, or the failure of any Obligor to observe or perform any agreement of any nature whatsoever with Lender, including, but not limited to, those contained in the Loan Documents; (2) if any Obligor becomes insolvent or makes an assignment for the benefit of creditors, or if any petition is filed by or against any Obligor under any provision of any state or federal law or statute alleging that such Obligor is insolvent or unable to pay debts as they mature or under any provision of the Federal Bankruptcy Code; (3) the entry of any judgment against any Obligor or any of Obligor's property which remains unsatisfied for fifteen (15) days; (4) the issuing of any attachment, levy or garnishment against any property of any Obligor; (5) the occurrence of any substantial change in the financial condition of any Obligor which, in the sole, reasonable good faith judgment of Lender is materially adverse; (6) the sale of all or substantially all of the assets, or change in ownership, or the dissolution, liquidation, merger, consolidation or reorganization of any Obligor which is a corporation or partnership, without the express prior written consent of Lender; (7) the death, incarceration or adjudication of legal incompetence of any Obligor who is a natural person; (8) if any information or signature furnished to Lender by any Obligor at any time in connection with any of the Liabilities, or in connection with any guaranty or surety agreement applicable to any of the Liabilities, is false or incorrect; or (9) the failure of any Obligor to timely furnish to Lender such financial and other information as Lender may reasonably request or require.

LENDER'S RIGHTS UPON DEFAULT: Notwithstanding anything to the contrary contained herein or elsewhere or the fact that Debtor may be required to make Principal and/or interest payments from time to time, if the Note is payable upon demand, Lender may demand payment of all outstanding Principal and accrued interest at any time, whether or not an Event of Default shall have occurred. In any event, upon the occurrence of a Event of Default, Lender may do any or all of the following:

(1) accelerate the maturity of this Note and demand immediate payment of all outstanding Principal a accrued interest. Debtor agrees to pay interest at the rate provided in this Note on all such sums until Lend has actually received payment in full thereof, even if Lender has obtained judgment against Debtor thereof

(2) pursuant to the Warrant of Attorney contained herein, confess judgment against Debtor, or any of the

(3) exercise Lender's right of set-off and all of the rights, privileges and remedies of a secured party under Pennsylvania Uniform Commercial Code and all of its rights and remedies under any security agreeme pledge agreement, assignment, mortgage, power, this Note or any other note, or other agreement, instrumen document issued in connection with or arising out of any of the Liabilities, all of which remedies shall cumulative and not alternative. The net proceeds of any collateral held by Lender as security for any of Liabilities shall be applied first to the expenses of Lender in preparing the collateral for sale, selling and the i including, without limitation, reasonable attorney's fees and expenses incurred by Lender (including fees, expenses of any litigation incident to any of the foregoing), and second, in such order, as Lender may, in its discretion, elect, to the complete satisfaction of all of the Liabilities together with all interest thereon. Obl waives and releases any right to require Lender to collect any of the Liabilities to Lender from any o collateral under any theory of marshalling of assets or otherwise, and specifically authorizes Lender to a any collateral in which Obligor has any right, title or interest against any of the Obligor's Liabilities to Lend any manner that Lender may determine.

(4) Upon five (5) days written notice to Debtor, begin accruing interest, in addition to the interest provided above, if any, at a rate not to exceed four percent (4%) per annum on the unpaid Principal balance; provi however, that no interest shall accrue hereunder in excess of the maximum amount of interest then allowe law. Debtor agrees to pay such accrued interest upon demand.

WARRANT OF ATTORNEY. Debtor, and each of them if more than one, hereby irrevocably authorizes empowers any Attorney or any Clerk of any court of record prior to, upon or after the occurrence of any Eve Default, as specified above, to appear for and CONFESS JUDGMENT against Debtor, or any of them, (a) for sums as are due and/or may become due on the Liabilities, and/or (b) in any action of replevin institute Lender to obtain possession of any collateral securing this Note or securing any of the Liabilities, in either with or without declaration, with costs of suit, without stay of execution and with an amount not to exceed fi percent (15%) of the unpaid principal amount of such judgment, but not less than One Thousand D ($1,000.00), added for attorney's collection fees. Debtor: (1) waives the right of inquisition on any real e levied on, voluntarily condemns the same, authorizes the Prothonotary or Clerk to enter upon the Y Execution said voluntary condemnation and agrees that said real estate may be sold on a Writ of Execu (2) to the extent permitted by law, waives and releases all relief from all appraisement, stay, exemptio appeal laws of any state now in force or hereafter enacted; and (3) releases all errors in such proceedings copy of this Note, verified by affidavit by or on behalf of Lender shall have been filed in such action, it sha be necessary to file the original Note as a Warrant of Attorney. The authority and power to appear for and judgment against Debtor shall not be exhausted by the initial exercise thereof, and the same may be exerc from time to time, as often as Lender shall deem necessary and desirable, and this Note shall be a suff Warrant therefore. Lender may enter one or more judgments in the same or different counties for all or p the Liabilities, without regard to whether judgment has been entered on more than one occasion for the Liabilities. In the event any judgment entered against Debtor hereunder is stricken or opened upon applic by or on Debtor's behalf for any reason whatsoever, Lender is hereby authorized and empowered to appear for and Confess Judgment against Debtor or any of them; subject, however, to the limitation that subsequent entry or entries of judgment by Lender may only be done to cure any errors in prior proceed only and to the extent that such errors are subject to cure in the later proceedings.

THE PROVISIONS ON THE REVERSE SIDE ARE PART OF THIS NOTE.

Debtor has duly executed this Note the day and year first above written and has hereunto set Debtor's hand and seal.

(INDIVIDUAL DEBTOR(S) SIGN BELOW)

_____ (SEAL)
Name Andrew Batcho

_____ (SEAL)
Name Andrew G. Batcho

_____ (SEAL)
Name

(CORPORATION OR PARTNERSHIP DEBTOR(S) SIGN BELOW)

Batcho Business Machines (C
Name of Corporation or Partnership

By _____ (C
Name and Title

Attest _____ (CORPORATE S
Name and Title

BANCONSUMER FORM PA 170 (Rev. 12/85)

©1985 BANCONSUMER SERVICE

EXHIBIT
tabbies
A

PREPAYMENTS: Unless otherwise agreed to in writing by Debtor, this Note may be prepaid in whole or in part, at any time without penalty. However, if the Principal of this Note is repayable in installments, any such prepayments shall be applied first to accrued interest to the date of prepayment and then on account of the last remaining unpaid Principal payment to become due, and the number of installments due hereunder shall be correspondingly reduced. No such prepayments shall reduce the amounts of the scheduled installments nor relieve Debtor from paying a scheduled installment on each installment payment date until all Principal due together with accrued interest thereon has been paid in full.

DISBURSEMENT OF PROCEEDS: Each Debtor hereby represents and warrants to Lender that the Principal of this Note will be used solely for business or commercial purposes and agrees that any disbursement of the Principal of this Note, or any portion thereof, to any one or more Debtors, shall conclusively be deemed to constitute disbursement of such Principal to and for the benefit of all Debtors.

RIGHT TO COMPLETE NOTE: Lender may at any time and from time to time, without notice to any Obligor: (1) date this Note as of the date when the loan evidenced hereby was made; (2) complete any blank spaces according to the terms upon which Lender has granted such loan; and (3) cause the signature of one or more persons to be added as additional Debtors without in any way affecting or limiting the liability of the existing Obligors to Lender.

MISCELLANEOUS: Debtor hereby waives protest, notice of protest, presentment, dishonor, notice of dishonor and demand. Debtor hereby waives and releases all errors, defects and imperfections in any proceeding instituted by Lender under the terms of this Note. Debtor agrees to reimburse Lender for all costs, including court costs and reasonable attorney's fees of 15% (but in no event less than $1,000) of the total amount due hereunder, incurred by Lender in connection with the collection and enforcement hereof. If this Note bears interest at a rate based on the reference rate designated by Lender or others from time to time as the Prime Rate, Base Rate, or otherwise, or the Discount Rate in effect from time to time as set by the Federal Reserve Bank in whose district the Lender is located, changes in the rate of interest hereon shall become effective on the days on which such reference rate changes or that Federal Reserve Bank announces changes in its Discount Rate, as applicable. The rights and privileges of Lender under this Note shall inure to the benefit of its successors and assigns. All representations, warranties and agreements of Obligor made in connection with this Note shall bind Obligor's personal representatives, heirs, successors and assigns. If any provision of this Note shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Note shall be construed as if such invalid or unenforceable provision had never been contained herein. The waiver of any Event of Default or the failure of Lender to exercise any right or remedy to which it may be entitled shall not be deemed a waiver of any subsequent Event of Default or of Lender's right to exercise that or any other right or remedy to which Lender is entitled. This Note has been delivered to and accepted by Lender in and shall be governed by the laws of the Commonwealth of Pennsylvania, unless Federal law otherwise applies. The parties agree to the jurisdiction of the federal and state courts located in Pennsylvania in connection with any matter arising hereunder, including the collection and enforcement hereof.

GUARANTY AND SURETYSHIP AGREEMENT

WHEREAS, **Andrew Batcho and Andrew G. Batcho**, (hereinafter called "Borrower") desires to transact business with and to obtain credit or a continuation or renewal of credit from **Clearfield Bank & Trust Company** (hereinafter called "Bank"); and

WHEREAS, Bank is unwilling to extend or continue credit or any renewal thereof to Borrower without this Guaranty;

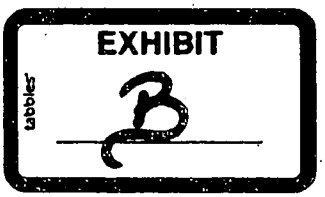
NOW, THEREFORE, in order to induce Bank to extend, continue, or renew credit to Borrower, and in consideration of the premises and the sum of $1.00 and of other good and valuable consideration, the undersigned, as surety, subject to the limitation, if any, hereinafter set forth in Paragraph 1, hereby absolutely and unconditionally guarantees to Bank prompt payment when due and at all times thereafter of any and all existing and future indebtedness and liability of every kind, nature and character (including all renewals, extensions and modifications thereof) from Borrower to Bank, howsoever and whensoever created or arising or evidenced or acquired.

1. The amount of the undersigned's liability hereunder shall be $ 265,000.00. The undersigned agrees that the amount of Borrower's liabilities to Bank may from time to time exceed the undersigned's liability hereunder without in any way affecting or impairing the liability of the undersigned hereunder.

2. This Guaranty is made and shall continue as to any and all indebtedness and liability of Borrower to Bank incurred or arising without regard to collateral or security or guaranties or other obligers, if any, or to the validity or effectiveness of any and all thereof, and any and all such collateral and security and guaranties and other obligers, if any, may from time to time without notice to, or consent of the undersigned, be sold, released, surrendered, exchanged, settled, compromised, waived, subordinated or modified, with or without consideration, on such terms or conditions as may be acceptable to Bank, without in any manner affecting or impairing the liability of the undersigned hereunder. The termination of this Guaranty, in the manner aforesaid, shall not relieve the undersigned from liability upon any indebtedness or liability of Borrower existing at the time of such termination.

3. The undersigned's liability hereunder is several and is independent of any other guaranties at any time in effect with respect to all or any part of the indebtedness or liability of Borrower to Bank, and may be enforced regardless of the existence of any such other guaranties. This is an agreement of suretyship as well as of guaranty, and without being required to proceed first against Borrower or any other person or entity, or against any collateral or other security for Borrower's obligations to Lender, Lender may proceed directly against the undersigned whenever Borrower fails to make any payment when due, or otherwise fails to perform any obligation now or hereafter owed to Bank.

4. The undersigned hereby waives all notices of any character whatsoever with respect to this Guaranty and Borrower's obligations or liabilities to Bank including, but not limited to: notice of acceptance hereof; notice of the creation, existence, amendment, modification,



waiver, renewal, extension or acquisition of any obligation or liability hereby guaranteed; notice of any adverse change in Borrower's financial condition of which Bank acquires knowledge or of any other fact affecting the undersigned's risk hereunder; and notice of default by Borrower or any other guarantor of Borrower's obligations or liabilities. The undersigned further waives presentment, demand, protest, and notice thereof as to any instrument representing indebtedness covered by this Guaranty, as well as any right to require Bank to sue or otherwise enforce payment thereof. In addition, the undersigned waives the benefit of all laws now or hereafter in effect in any way limiting or restricting the liability of the undersigned hereunder and waives all defenses whatsoever to undersigned's liability hereunder other than payment.

5. If any of Borrower's obligations or liabilities to Bank are not duly performed, including the prompt payment when due of any amount payable thereunder, and if Bank is prevented from accelerating payment thereunder, (whether because of bankruptcy, insolvency, or reorganization or any other reason) all of Borrower's liabilities to Bank shall, at Bank's option, be deemed to be forthwith due and payable for the purposes of this Guaranty and the liability of the undersigned hereunder.

6. In addition to all other liability of the undersigned hereunder and notwithstanding the limit, if any, set forth in Paragraph 1 hereof, the undersigned also agrees to pay to Bank on demand all costs and expenses (including reasonable attorney's fees and legal expenses) which may be incurred in the enforcement of the Borrower's liabilities to Bank or the liability of the undersigned hereunder.

7. The undersigned hereby authorizes and empowers any Prothonotary, Clerk or Attorney of any Court of Record prior to, upon or after the occurrence of any Event of Default, as specified above, to appear for and confess judgment against the undersigned in favor of Bank, its successors or assigns, for the sum set forth in Paragraph 1 hereof, with or without declaration filed, with interest and costs, release of error, without stay of execution and with reasonable attorney's fees; and the undersigned further authorizes the immediate issuing of an appropriate writ of execution upon which real or personal property may be sold without delay as provided by law or the rules of civil procedure governing the enforcement of judgments; and the undersigned also waives the right of inquisition on any real estate that may be levied upon to collect the amount due under a judgment obtained by virtue hereof, and undersigned does hereby voluntarily condemn the same and hereby waives and releases all relief from any and all appraisement, stay, exemption or homestead laws of any state, now in force, or hereafter passed, and any right to except to, strike off, open or appeal from the judgment so entered; and if a true copy of this instrument shall be filed in any such action, it shall not be necessary to file the original as a warrant of attorney, any rule of court to the contrary notwithstanding.

No single exercise of the foregoing warrant and power to confess judgment shall be deemed to exhaust the power, but it shall continue undiminished and may be exercised from time to time as often as Bank shall elect, until all sums payable by the undersigned have been paid in full.

8. To secure all obligations of the undersigned hereunder, Bank shall have a lien upon and security interest in and may, without demand or notice of any kind, at any time and from time to time when any amount shall be due and payable by such undersigned hereunder, appropriate and apply toward the payment of such amount, in such order of application as Bank may elect; any and all balances, credits, deposits, accounts or moneys of or in the name of undersigned now or hereafter with Bank, whether held in a general or special account for deposit or for safekeeping or otherwise, and any and all property of every kind or description of or in the name of such undersigned now or hereafter, for any reason or purpose whatsoever, in the possession or control of Bank.

9. The liability of the undersigned under this Guaranty shall be unconditional and irrevocable, irrespective of (a) the genuineness, validity or enforceability of any document executed and delivered to Bank by Borrower to evidence or secure any obligation or liability of Borrower to Bank, (b) any limitation of liability of Borrower contained in any such document, (c) the existence of any collateral or other security given to secure such obligations and liabilities, (d) impossibility or the illegality of performance on the part of Borrower of its obligations or liabilities to Bank, (e) the sale or transfer of all or any portion of the collateral or other security for such obligations or liabilities, (f) any defense that may arise by reason of the incapacity or lack of authority of Borrower, (g) the failure of Bank to file or enforce a claim against the estate of Borrower in any bankruptcy or other proceeding; or (h) any other circumstance, occurrence or condition, whether similar or dissimilar to any of the foregoing, which might otherwise constitute a legal or equitable defense, discharge or release of a guarantor or surety. If Borrower defaults, this Guaranty shall remain in full force and effect until all sums due Bank by Borrower have been indefeasibly paid in full to Lender and until all such sums received by Lender are not subject to rescission, or repayment upon the bankruptcy, insolvency, or reorganization of Borrower.

10. If the undersigned consists of more than one person, such persons shall be jointly and severally liable hereunder. This Guaranty shall inure to the benefit of Bank, its successors, assigns, endorsees and any person or entity, to whom or which Bank may grant any interest in Borrower's obligations or liabilities to Bank or any of them, and shall be binding upon the undersigned and the undersigned's executors, administrators, heirs, successors, assigns and other legal representatives. The undersigned intends this to be a sealed instrument and to be legally bound hereby.

WITNESS the due execution hereof this 26th day of January, 1999.

ATTEST OR WITNESS:

Batcho Business Machines, Inc.

BY: _____ (SEAL)

_____ (SEAL)

ADDRESS: 110 E. Market St., Clearfield, PA 16830

MORTGAGE

This Mortgage is made this 26th day of January, 19 99 between the Mortgagor Andrew Batcho & Andrew G. Batcho (herein "Borrower") and the MORTGAGEE, CLEARFIELD BANK & TRUST COMPANY, a corporation organized and existing under the law of Pennsylvania, whose address is 11 North Second Street, Clearfield, PA 16830 (herein "Lender").

WHEREAS, Borrower and Lender have executed a Promissory Note concurrent herewith providing for a loan to Borrower from Lender of the Principal sum of Two Hundred Sixty Five Thousand ($265,000.00);

WHEREAS, said loan is also secured by a Promissory Note with Borrower as maker and Lender as holder, of even date herewith (herein "Note") providing for 240 installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on 1/26/2019.

NOW THEREFORE, as security for the repayment of the indebtedness evidenced by the Note and the Loan and Security Agreement, with interest thereon, and all renewals, extensions and modification; the payment of all other sums, with interest, advanced under paragraph 6 hereof to protect the security of this mortgage; and the performance of Borrower's covenants and agreements under this Mortgage, the Note and the Loan and Security Agreement; and for the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 22 hereof (herein "future advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Clearfield, State of Pennsylvania:

which has the address of 110 East Market Street (Street)
Clearfield, Pennsylvania 16830
(City) (Zip Code)
(herein "Property Addresses");

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

TOGETHER WITH all leases and other agreements affecting the use and occupancy of the Property now or hereafter entered into, all licenses and agreements relating to the operation or maintenance of the Property and all rights of Borrower to payment under any such agreement, which is at the time not yet earned by performance (all such leases, licenses and other agreements and such rights thereunder are hereinafter referred to individually as a "Contract Right" or a "lease" and collectively as "Contract Rights or Leases");

EXHIBIT
C

PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

TOGETHER WITH rents, receipts, deposits, issues, profits and other income of any and all kinds received or receivable and due or to become due from the sale or lease of all or a portion of the Property (all of such proceeds, receipts and income are hereinafter collectively referred to as the "Income and Rents" and all such rights are hereinafter referred to individually as an "Account Receivable" and collectively as "Accounts Receivable");

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record listed in the Certificate of title delivered to Lender by Borrower's counsel concurrent with the execution and delivery of this Mortgage. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record accepted by Lender.

BORROWER AND LENDER covenant and agree as follows:

1. **Payment of Principal and Interest.**
Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Application of Payments.**
Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to interest due; and last, to principal due.

3. **Charges; Liens.**
Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

4. **Hazard Insurance.**
Borrower shall keep the improvements now existing or hereafter erected on the property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. 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 Borrower subject to Lender's approval which shall not be unreasonable withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgagee clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30 day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1. If under paragraph 17 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

5. **Preservation and Maintenance of Property; Leaseholds.**
Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

6. **Protection of Lender's rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in THE PROPERTY *such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), the Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

7. **Inspection.**
Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

8. **Condemnation.**
The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking or any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following faction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

9. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refused to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

10. **Remedies Cumulative.** All remedies provided in this mortgage are distinct and cumulative to any other right or remedy under this Mortgage or under the Note or Loan and Security Agreement or afforded by law or equity and may be exercised concurrently, independently or successively.

11. **Successors and Assigns Bound; Joint and Several Liability; Cosigners.** The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Mortgage but does not execute the Note: (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Mortgage; (b) is not personally obligated to pay the sums secured by this Mortgage; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note, Loan and Security Agreement or this Mortgage unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted by paragraph 17.

14. **Notices.**
Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address for any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.**
This Mortgage shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that a provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision. To this end the provisions of this Mortgage and the Note are declared to be severable.

16. **Transfer of the Property or a Beneficial Interest in Borrower.**
If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercised this option, Lender shall give Borrower notice of acceleration. Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

17. **Acceleration; Remedies.**
Upon default by Borrower of any covenant or agreement in the Note, Loan and Security Agreement or this Mortgage, Lender at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, attorney's fees and cost of title evidence to the extent permitted by applicable law.

18. **Lender in Possession.**
Upon acceleration under paragraph 17 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage.

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

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

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

22. **Future Advances.**
Upon request of Borrower, Lender, at Lender's option prior to release of this mortgage, may make future advances to Borrower. Such future advances, with interest thereon, shall be secured by this mortgage when evidenced by a Promissory Note stating that said Notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note.

23. **Environmental Hazards.**
Borrower agrees that Borrower:

(a) (1) shall not generate, transfer, store, dispose of, or permit or suffer to be generated, transferred, stored or disposed of hazardous or toxic waste in, upon, or under the Property except in strict accordance with federal and Pennsylvania laws, rules, regulations and permits; and (2) shall reimburse the Lender on demand, for all costs expended by the Lender or which the Lender is required to pay to any governmental agency or otherwise for environmental audits, studies, inspections, cleanup, removal, or transportation with respect to or from the Property of hazardous or toxic wastes; (3) Borrower provides Lender access to the property at all times to perform its due diligence;

(b) shall not discharge or release or permit or suffer to be discharged or released hazardous or toxic substances in, upon, or under any land or soil which is included in the Property in such a way that such substances become discharged or released upon any such land or soil;

(c) shall comply with all orders or decrees now or hereafter issued by any federal, state or local governmental agency concerning the generation, transfer, storage or disposal or hazardous or toxic substances or the discharge or release of the same in, on under or from the Property or requiring the clean-up or elimination of hazardous or toxic substances in, upon, under, or from the Property;

(d) sh. promptly reimburse any federal or state governmental agency which has expended funds or incurred costs or expenses for environmental audit, study or inspection of the Property or for cleanup, removal or elimination of hazardous or toxic substances in, upon, or under the Property;

(e) where permits are issued or required by any federal or state agency related to or with respect to the Property, the Borrower shall submit annual reports to the Lender showing compliance with such permits; and

(f) shall report or submit to the Lender promptly: (1) any request received by the Borrower for information, inquiry, investigation, notice or violation, administrative order, penalty assessment, suit, or directive from any federal, state or local agency concerning the Property and toxic or hazardous substances, environmental pollution, health risk or safety risk at the Property, and (2) notice of any suit brought by any person or entity alleging any environmental damage or threat, nuisance, non-compliance or health or safety risk related to the Property.

(g) Any violation authorizes Lender to cancel any commitment to advance funds under any note secured by this mortgage, to accelerate any amounts outstanding on this note, or any other note, or allow for foreclosure to be instituted immediately.

24. **Riders to this Mortgage.**
If one or more riders are executed by Borrower and recorded together with this Mortgage, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider(s) were a part of this Mortgage [check applicable box(es)]

[ ] Adjustable Rate Rider [ ] Condominium Rider

[ ] 2-4 Family Rider [ ] Graduated Payment Rider

[ ] Planned Unit Development Rider

[X] Other(s) [specify] Property Description Rider

SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with it.

Witnesses:

(Seal)
Borrower
ANDREW BATCHO

(Seal)
Borrower
ANDREW G. BATCHO

COMMONWEALTH OF PENNSYLVANIA:

: ss.

COUNTY OF CLEARFIELD :

On this, the 26th day of January 1999,

before me the undersigned officer, personally appeared Andrew Batcho and Andrew G. Batcho,

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

subscribed to the within instrument and acknowledged that she

executed the same for the purposes herein contained.

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

Notary Public

My Commission Expires:

I certify that the precise address of the within named lender is: P.O. Box 171, Clearfield, PA 16830

Signature

Richard H. Milgrub,
Attorney at Law

KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY, PA
Pennsylvania

INSTRUMENT NUMBER
199901341
RECORDED ON
Jan 27, 1999
1:56:52 PM

RECORDING FEES - RECORDER	$25.00
COUNTY IMPROVEMENT FUND	$1.00
RECORDER IMPROVEMENT FUND	$1.00
STATE WRIT TAX	$0.50
TOTAL	$27.50

LINDA L BATCHO TDBA BATCHO OFFICE SYST 814 BARCLAY ST CLEARFIELD PA 16830-1204 BORROWER'S NAME AND ADDRESS "I" includes each borrower above, joint and severally.	CLEARFIELD BANK & TRUST COMPANY 11 N. SECOND ST, P O BOX 171 CLEARFIELD, PA 16830 LENDER'S NAME AND ADDRESS "You" means the lender, its successors and assigns.	Number Date 10/25/02 Maturity Date 10/25/12 Loan Amount $ 185,000.00 Renewal Of 688916

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of One hundred eighty five thousand & no/100 Dollars $ 185,000.00

☒ **Single Advance:** I will receive all of this principal sum on 10/25/02. 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 OCTOBER 25, 2002 at the rate of 7.5000 % per year until OCTOBER 25, 2007.

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

☒ **Index Rate:** The future rate will be 1.000% 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: CR REPORT, DOC PREP, PROPERTY REPORT FEES $130.00

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 120 payments. The first payment will be in the amount of $ 2,206.40 and will be due NOVEMBER 25, 2002. A payment of $2,206.40 will be due Monthly thereafter. The final payment of the entire unpaid balance of principal and interest will be due OCTOBER 25, 2012.

☒ **WARRANT OF AUTHORITY TO CONFESS JUDGMENT.** Upon default, in addition to all other remedies and rights available to you, by signing below Borrower irrevocably authorizes the prothonotary, 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.

LBS LB

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 5 YEAR TERM. INTEREST WILL ACCRUE BASED UPON THE VARIABLE RATE AS DISCLOSED ABOVE.

PURPOSE: The purpose of this loan is CONSOLIDATION

☒ **SECURITY:** This note is separately secured by (describe separate document by type and date):

SECURITY AGREEMENT AND MORTGAGE DATED MAY 9,2000

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

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

ANDREW G BATCHO

Linda L Batcho
LINDA L BATCHO

Signature for Lender

William A. Shiner
WILLIAM A. SHINER
SR VICE PRESIDENT

TDBA BATCHO OFFICE SYSTEMS

EXHIBIT A

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"You" or "your" means the Lender and its s[illegible]ssors and assigns.

APPLICABLE LAW: The law of the sta[illegible] Pennsylvania will govern this note. Any term of this note which is c[illegible] to applicable law will not be effective, unless the law permits you a[illegible] to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement. Any provision that appoints you as an agent is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code). By exercising any of your rights under this note, you do so for your sole benefit.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the earliest of the following:

(a) the date of the last scheduled payment indicated on page 1 of this note;
(b) the date you accelerate payment on the note; or
(c) after the entry of judgment on this note by confession or otherwise and applies to amounts owed under this note on any such judgment until paid in full.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

ADVANCE PROCEDURE AND MEANS: You will advance the loan proceeds by way of check, cash, wire transfer, credit to an account or any combination as You and I agree. The advance(s) will occur upon consummation of the loan and as You and I agree, except that no advance(s) will occur until after three business days from the date of consummation if the loan is rescindable pursuant to Regulation Z (12 C.F.R. § 226).

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;
(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and
(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a [illegible] against any of my accounts. I agree to hold you harmless from [illegible] such claims arising as a result of your exercise of your right of se[illegible]

REAL ESTATE OR RESIDENCE SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season; (11) 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.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).
(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "Set-Off" paragraph herein.
(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.
(4) You may refuse to make advances to me or allow purchases on credit by me.
(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights (to the extent permitted by law) to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);
(2) obtain official certification of nonpayment (protest); or
(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may do so without any notice that it has not been paid (notice of dishonor). You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval.

CREDIT INFORMATION: I agree and authorize you to obtain credit information about me from time to time (for example, by requesting a credit report) and to report to others your credit experience with me (such as a credit reporting agency). I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is on page 1. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this agreement, or to any other address that you have designated.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH:
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /

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EN L. STARCK
ER AND RECORDER
FIELD COUNTY
nsylvania

INSTRUMENT NUMBER
200006478
RECORDED ON
1/5/2000 2:03:0
1 1:21 PM
MG 6225 - 322.00

MORTGAGE $1.00
SATISFACTION $1.00
ENT FUND $1.00
IT TAX $0.50
$25.50

Commonwealth of Pennsylvania — Space Above This Line For Recording Data

OPEN-END MORTGAGE

This Mortgage secures future advances

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is MAY 09, 2000 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: ANDREW G BATCHO
ANDREW BATCHO

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

LENDER: CLEARFIELD BANK & TRUST COMPANY
11 N. SECOND ST, P O BOX 171
CLEARFIELD, 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:

SEE ATTACHED DESCRIPTION

EXHIBIT
tabbies
E

The property is located in CLEARFIELD (County) at

110 E MARKET ST (Address), CLEARFIELD (City), Pennsylvania 16830 (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").

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3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed $ .....200,000.00..... . 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.)*

   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.

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PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel J. Snyder, thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

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:
   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.

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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.

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. If Mortgagor becomes subject to a voluntary or involuntary bankruptcy, Mortgagor agrees that Lender is entitled to receive relief from the automatic stay in bankruptcy for the purpose of making this assignment effective and enforceable under state and federal law.

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.

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_____ _____ _____ _____

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.

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_____ _____ _____ _____

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.

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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 appraisement 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.**

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_____ _____ _____ _____

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: .....

(Signature) ANDREW G BATCHO (Date)

(Witness)

(Signature) (Date)

(Witness)

Entity Name: .....

(Signature) ANDREW BATCHO (Date)

(Witness)

(Signature) (Date)

(Witness)

ACKNOWLEDGMENT:

(Individual)

COMMONWEALTH OF Pennsylvania, COUNTY OF Clearfield } ss.
On this, the 9th day of May 2000, before me Rebecca A. Coleman,
the undersigned officer, personally appeared Andrew G. Batcho & Andrew Batcho,
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
REBECCA A COLEMAN, NOTARY PUBLIC
CLEARFIELD BORO, CLEARFIELD COUNTY
MY COMMISSION EXPIRES JUNE 25, 2001

Rebecca A Coleman
Notary Public

Title of Officer

REBECCA A. COLEMAN
NOTARY PUBLIC
CLEARFIELD CO., PENNSYLVANIA
MY COMMISSION EXPIRES JUNE 25, 2001

(Business or Entity Acknowledgment)

COMMONWEALTH OF ....., COUNTY OF ..... } ss.
On this, the ..... day of ....., before me .....,
the undersigned officer, personally appeared .....,
..... 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, 11N SECOND, CLEARFIELD PA 16830

William A. Shiner
WILLIAM A. SHINER
SR VICE PRESIDENT

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VERIFICATION

Lori A. Kurtz, Collection Manager and duly authorized representative of Clearfield Bank & Trust Company, deposes and says subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities, that the facts set forth in the foregoing Amended Complaint in Mortgage Foreclosure are true and correct to her information and belief.

CLEARFIELD BANK & TRUST COMPANY

By: _____
Lori A. Kurtz
Collection Manager

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

CIVIL ACTION – AMENDED COMPLAINT IN MORTGAGE FORECLOSURE

I hereby certify that the address of the Plaintiff is:
11 N. Second Street, P.O. Box 171
Clearfield, PA 16830

and the last known address of Defendant, Andrew Batcho is:
110 East Pauline Drive
Clearfield, PA 16830

and the last known address of Defendants, Andrew G. Batcho and Linda L. Batcho is:
45 Rocky Bend Road
Clearfield, PA 16830

and the location of the property is:
110 East Pauline Drive
Clearfield, PA 16830

McGrath & Associates, P.C.

JM Christopher
Attorneys for Plaintiff

FILED
SEP 10 2007
William A. Shaw
Prothonotary/Clerk of Courts

FILED ICC Sheriff
m/11:24/30
SEP 10 2007
(GK)

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

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 SHOULD 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
Second & Market Streets
Clearfield, PA 16830
(814) 765-2641, Ext. 50-51

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

CIVIL ACTION – AMENDED COMPLAINT IN MORTGAGE FORECLOSURE

NOW COMES Plaintiff, Clearfield Bank & Trust Company, by and through its attorneys, McGrath & Associates, P.C., and files this Amended Complaint in Mortgage Foreclosure as follows:

1. Plaintiff, Clearfield Bank & Trust Company, is a financial institution with its principal place of business located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830 (hereinafter referred to as "Plaintiff").

2. Defendant, Andrew Batcho is an individual with a last known address of 110 East Pauline Drive, Clearfield, Pennsylvania 16830.

3. Defendants, Andrew G. Batcho and Linda L. Batcho are husband and wife with a last known address of 45 Rocky Bend Road, Clearfield, Pennsylvania 16830 (Defendant, Andrew Batcho, Defendant, Andrew G. Batcho, and Defendant, Linda L. Batcho are sometimes hereafter referred to collectively as "Defendants").

COUNT I
$265,000.00 LOAN

4. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

5. On or about January 26, 1999, Defendant, Andrew Batcho, Defendant, Andrew G. Batcho, and Batcho Business Machines, Inc. obtained a loan from Plaintiff in the amount of $265,000.00 (hereinafter referred to as the "First Loan"). The First Loan is evidenced by a certain Promissory Note dated January 26, 1999, executed by Defendant, Andrew Batcho and Defendant, Andrew G. Batcho (hereinafter referred to as the "First Note"). A true and correct copy of said First Note is marked **Exhibit "A"**, and attached hereto and made a part hereof.

6. In order to induce Plaintiff to make the First Loan, Defendant, Andrew Batcho and Defendant, Andrew G. Batcho became absolute and unconditional guarantors and sureties for the First Loan by executing a Guaranty and Suretyship Agreement ("Guaranty") dated January 26, 1999, a true and correct copy of which is marked **Exhibit "B"**, and attached hereto and made a part hereof.

7. On or about January 26, 1999, as security for repayment of the debt evidenced by the First Note and Guaranty, Defendant, Andrew Batcho and Defendant, Andrew G. Batcho made, executed and delivered to Plaintiff a Mortgage in the original principal amount of $265,000.00 (hereinafter referred to as the "First Mortgage") on the premises commonly known as 110 East Market Street, Clearfield, Pennsylvania 16830 (hereinafter referred to as the "Mortgaged Premises"). Said First Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on January 29, 1999, at Instrument No. 199901341. A true and correct copy of the First Mortgage, containing a description of the Mortgaged Premises, is marked **Exhibit "C"**, and attached hereto and made a part hereof.

8. Defendant, Andrew Batcho and Defendant, Andrew G. Batcho subsequently conveyed the Mortgaged Premises to Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho by Deed dated October 24, 2005, and recorded May 11, 2006 at Instrument Number 200607221. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho took title to the Mortgaged Premises under and subject to the lien of the First Mortgage.

9. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

10. The First Note and First Mortgage are in default as the result of the Defendants' failure to make the monthly installments of principal and interest when due.

11. Demand for payment has been made upon the Defendants by Plaintiff; however, Defendants have failed or refused to pay.

12. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

13. The amount due and owing Plaintiff by Defendants under the First Note and First Mortgage as of January 26, 2007 is as follows:

Principal Balance	$190,217.35
Interest as of 1/26/07	$ 4,449.76
Late Fees as of 1/26/07	$ 822.98
Total	**$195,490.09**

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by

the First Note and First Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of **$195,490.09**, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and First Mortgage and for foreclosure and sale of the Mortgaged Premises.

COUNT II
$185,000.00 LOAN

14. The foregoing paragraphs are hereby incorporated by reference as if fully set forth in this Count.

15. On or about October 25, 2002, Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho, together t/d/b/a Batcho Office Systems, obtained a loan from Plaintiff in the amount of $185,000.00 (hereinafter referred to as the "Second Loan"). The Second Loan is evidenced by a certain Note dated October 25, 2002, executed by Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho (hereinafter referred to as the "Second Note"). A true and correct copy of said Second Note is marked **Exhibit "D"**, and attached hereto and made a part hereof.

16. The Second Note is secured by an Open-End Mortgage made, executed and delivered to Plaintiff by Defendant, Andrew Batcho and Defendant, Andrew G. Batcho on May 9, 2000 in the original principal amount not to exceed $200,000.00 (hereinafter referred to as the "Second Mortgage") also on the Mortgaged Premises. Said Second Mortgage was recorded in the Office of the Recorder of Deeds of Clearfield County on May 15, 2000, at Instrument No. 200006678. A true and correct copy of the Second Mortgage, containing a description of the Mortgaged Premises, is marked **Exhibit "E"**, and attached hereto and made a part hereof.

17. Defendant, Andrew Batcho and Defendant, Andrew G. Batcho conveyed the Mortgaged Premises to Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho by deed dated October 24, 2005, and recorded May 11, 2006 at Instrument Number 200607221. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho took title to the Mortgaged Premises under and subject to the lien of the Second Mortgage.

18. Defendant, Andrew G. Batcho and Defendant, Linda L. Batcho are the record and real owners of the aforesaid Mortgaged Premises.

19. The Second Note and Second Mortgage are in default as the result of the Defendants' failure to make the monthly installments of principal and interest when due.

20. Demand for payment has been made upon the Defendants by Plaintiff; however, Defendants have failed or refused to pay.

21. Plaintiff was not required to provide the Defendants with the Notice pursuant to the Homeowners' Emergency Mortgage Assistance Act of 1983 (Act 91 of 1983), or of Plaintiff's intention to foreclose the Mortgage pursuant to Act 6 of 1974, 41 P.S. § 403, for the reason that the subject property is not the principal residence of the mortgagor nor is it a one- or two-family owner-occupied residence as defined by Act 91 of 1983, 35 P.S. § 1680.401.

22. The amount due and owing Plaintiff by Defendants under the Note and Mortgage as of January 26, 2007 is as follows:

Principal Balance	$124,590.26
Interest as of 1/26/07	$ 733.41
Late Fees as of 1/26/07	$ 110.32
Total	**$125,433.99**

plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow

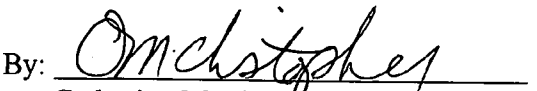
deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage.

WHEREFORE, Plaintiff demands judgment in mortgage foreclosure for the amount due of **$125,433.99**, plus interest from January 26, 2007, at the contractual rate, additional late charges, any escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the Second Note and Second Mortgage and for foreclosure and sale of the Mortgaged Premises.

SUMMARY OF COUNTS I AND II

WHEREFORE, Plaintiff demands Judgment in Mortgage Foreclosure in the aggregate amount of **$320,924.08** plus interest from January 26, 2007 at the contractual rate(s), additional late charges, escrow deficiency and other amounts due, including attorneys' fees and costs of collection as authorized by the First Note and Second Note and for foreclosure and sale of the Mortgaged Premises.

McGRATH & ASSOCIATES, P.C.

By: 

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: 412-281-4333
Facsimile: 412-281-2141

Debtor Andrew Batcho of 110 E. Pauline [illegible] Clearfield, PA 16830

Debtor Andrew G. Batch of RR 2, Box 264 [illegible]earfield, PA 16830

FOR VALUE RECEIVED AND INTENDING TO BE LEGALLY BOUND HEREBY, the person or persons who sign as debtor below (each jointly and severally liable if more than one person and hereinafter referred to as "Debtor"), promises to pay to the order of

CLEARFIELD BANK & TRUST CO., Clearfield, Pennsylvania 16830 ("Lender");

at any of Lender's branch offices;

the Principal sum of --Two Hundred Sixty Five Thousand and 00/100---------- Dollars in lawful money of the United States, to be paid as follows:

Principal is payable on Demand together with the accured interest then outstanding, but if no demand is made by Lender then: 60 monthly principal and interest installments of $2,300.40 commencing on the 26 day of February, 1999 and continuing on the 26 day of each month thereafter. Subsequent monthly principal and interest installments will be based on a variable interest rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. The remaining payment schedule will amortize the loan over the final 180 month term. Any increase or decrease in the amount of interest due caused by early or late payments will be reflected in the final installment, which will be modified accordingly. Interest from the date of this Note shall accrue on the unpaid Principal balance hereof at the rate of 8.50% will be fixed for the first five year time period only. Interest thereafter will be at a variable rate of Lender's Prime Rate, currently 7.75%, Plus 1.00%. Borrower and Lender may agree to fix the interest rate after the initial 5 year term for similar 5 year time periods.

and shall be payable monthly as billed. If a payment is made more than 15 days after its scheduled due date, a late charge of 5% of the payment amount or a minimum of $5.00 will be charged.

SECURITY INTEREST: As security for the prompt payment as and when due of all amounts due under this Note, including any renewals, extensions and/or modifications thereof, together with all other existing and future liabilities and obligations of Debtor, or any of them, to Lender whether absolute or contingent, of any nature whatsoever and out of whatever transactions arising (hereinafter collectively referred to as the "Liabilities"), in addition to any other security agreement or document granting Lender any rights in any of Obligor's ("Obligor", as used herein, shall include Debtor and all other persons liable, either absolutely or contingently, on the Liabilities, including endorsers, sureties and guarantors) property for the purpose of securing the Liabilities, Obligor acknowledges Lender's right of set-off and further hereby grants to Lender a lien and security interest in and to all property of Obligor, or any of them, which at any time Lender shall have in its possession, or which is in transit to it, including without limitation any balance or share belonging to Obligor, or any of them, of any deposit, agency, trust, escrow or other account or accounts with Lender and any other amounts which may be owing from time to time by Lender to Obligor, or any of them. Said lien and security interest shall be independent of Lender's right of set-off, which, if exercised, shall be deemed to occur at the time Lender first restricts access of Obligor to property in Lender's possession, although such set-off may be entered upon Lender's books and records at a later time.

☐ If checked, Debtor agrees that this Note is a renewal of the Promissory Note dated _____, 19____, and that, whether or not additional funds are advanced herewith, this Note is not intended to create a totally new debt. If Lender was given a purchase money or other security interest in connection with the prior Promissory Note, that security interest shall be retained by Lender in connection with this Note.

UNCONDITIONAL LIABILITY: Obligor's liability shall be unconditional and without regard to the liability of any other Obligor, and shall not be affected by any indulgence, extension of time, renewal, waiver or modification of this Note, or the release, substitution and/or addition of collateral security for this Note. Obligor consents to any and all extensions of time, renewals, waivers or modifications, as well as to the release, substitution or addition of Obligors and/or collateral security, without notice to Obligor and without affecting Obligor's liability hereunder or under the Liabilities.

This Note is entitled to the benefits of any loan agreement(s), surety and/or guaranty agreement(s), security agreement(s), mortgage(s), assignment(s), and/or other such loan documents (referred to as the "Loan Documents") issued in connection with the Liabilities, whether executed previously to or concurrently with, or to be executed subsequent to, this Note, and which may be amended, modified, renewed or substituted without affecting in any way the validity or enforceability of this Note.

EVENTS OF DEFAULT: Each of the following shall be an "Event of Default" hereunder: (1) the nonpayment when due, or if this is a demand obligation, upon demand, of any amount payable under this Note or of any amount when due under or on any of the Liabilities, or the failure of any Obligor to observe or perform any agreement of any nature whatsoever with Lender, including, but not limited to, those contained in the Loan Documents; (2) if any Obligor becomes insolvent or makes an assignment for the benefit of creditors, or if any petition is filed by or against any Obligor under any provision of any state or federal law or statute alleging that such Obligor is insolvent or unable to pay debts as they mature or under any provision of the Federal Bankruptcy Code; (3) the entry of any judgment against any Obligor or any of Obligor's property which remains unsatisfied for fifteen (15) days; (4) the issuing of any attachment, levy or garnishment against any property of any Obligor; (5) the occurrence of any substantial change in the financial condition of any Obligor which, in the sole, reasonable good faith judgment of Lender is materially adverse; (6) the sale of all or substantially all of the assets, or change in ownership, or the dissolution, liquidation, merger, consolidation or reorganization of any Obligor which is a corporation or partnership, without the express prior written consent of Lender; (7) the death, incarceration or adjudication of legal incompetence of any Obligor who is a natural person; (8) if any information or signature furnished to Lender by any Obligor at any time in connection with any of the Liabilities, or in connection with any guaranty or surety agreement applicable to any of the Liabilities, is false or incorrect; or (9) the failure of any Obligor to timely furnish to Lender such financial and other information as Lender may reasonably request or require.

LENDER'S RIGHTS UPON DEFAULT: Notwithstanding anything to the contrary contained herein or elsewhere or the fact that Debtor may be required to make Principal and/or interest payments from time to time, if the Note is payable upon demand, Lender may demand payment of all outstanding Principal and accrued interest at any time, whether or not an Event of Default shall have occurred. In any event, upon the occurrence of a Event of Default, Lender may do any or all of the following:

(1) accelerate the maturity of this Note and demand immediate payment of all outstanding Principal and accrued interest. Debtor agrees to pay interest at the rate provided in this Note on all such sums until Lender has actually received payment in full thereof, even if Lender has obtained judgment against Debtor therefor;

(2) pursuant to the Warrant of Attorney contained herein, confess judgment against Debtor, or any of the;

(3) exercise Lender's right of set-off and all of the rights, privileges and remedies of a secured party under Pennsylvania Uniform Commercial Code and all of its rights and remedies under any security agreement, pledge agreement, assignment, mortgage, power, this Note or any other note, or other agreement, instrument, document issued in connection with or arising out of any of the Liabilities, all of which remedies shall be cumulative and not alternative. The net proceeds of any collateral held by Lender as security for any of Liabilities shall be applied first to the expenses of Lender in preparing the collateral for sale, selling and the, including, without limitation, reasonable attorney's fees and expenses incurred by Lender (including fees, expenses of any litigation incident to any of the foregoing), and second, in such order, as Lender may, in its discretion, elect, to the complete satisfaction of all of the Liabilities together with all interest thereon. Obl waives and releases any right to require Lender to collect any of the Liabilities to Lender from any of collateral under any theory of marshalling of assets or otherwise, and specifically authorizes Lender to a any collateral in which Obligor has any right, title or interest against any of the Obligor's Liabilities to Lend any manner that Lender may determine.

(4) Upon five (5) days written notice to Debtor, begin accruing interest, in addition to the interest provided above, if any, at a rate not to exceed four percent (4%) per annum on the unpaid Principal balance; provided, however, that no interest shall accrue hereunder in excess of the maximum amount of interest then allowed by law. Debtor agrees to pay such accrued interest upon demand.

WARRANT OF ATTORNEY: Debtor, and each of them if more than one, hereby irrevocably authorizes empowers any Attorney or any Clerk of any court of record prior to, upon or after the occurrence of any Event of Default, as specified above, to appear for and CONFESS JUDGMENT against Debtor, or any of them, (a) for sums as are due and/or may become due on the Liabilities, and/or (b) in any action of replevin instituted Lender to obtain possession of any collateral securing this Note or securing any of the Liabilities, in either with or without declaration, with costs of suit, without stay of execution and with an amount not to exceed fifteen percent (15%) of the unpaid principal amount of such judgment, but not less than One Thousand Dollars ($1,000.00), added for attorney's collection fees. Debtor: (1) waives the right of inquisition on any real estate levied on, voluntarily condemns the same, authorizes the Prothonotary or Clerk to enter upon the Writ of Execution said voluntary condemnation and agrees that said real estate may be sold on a Writ of Execution; (2) to the extent permitted by law, waives and releases all relief from all appraisement, stay, exemption, appeal laws of any state now in force or hereafter enacted; and (3) releases all errors in such proceedings. A copy of this Note, verified by affidavit by or on behalf of Lender shall have been filed in such action, if shall be necessary to file the original Note as a Warrant of Attorney. The authority and power to appear for and confess judgment against Debtor shall not be exhausted by the initial exercise thereof, and the same may be exercised from time to time, as often as Lender shall deem necessary and desirable, and this Note shall be a sufficient Warrant therefore. Lender may enter one or more judgments in the same or different counties for all or part of the Liabilities, without regard to whether judgment has been entered on more than one occasion for the Liabilities. In the event any judgment entered against Debtor hereunder is stricken or opened upon application by or on Debtor's behalf for any reason whatsoever, Lender is hereby authorized and empowered to appear for and Confess Judgment against Debtor or any of them; subject, however, to the limitation that any subsequent entry or entries of judgment by Lender may only be done to cure any errors in prior proceedings only and to the extent that such errors are subject to cure in the later proceedings.

THE PROVISIONS ON THE REVERSE SIDE ARE PART OF THIS NOTE.

Debtor has duly executed this Note the day and year first above written and has hereunto set Debtor's hand and seal.

(INDIVIDUAL DEBTOR(S) SIGN BELOW)

Andrew Batcho (SEAL)
Name Andrew Batcho

Andrew G. Batch (SEAL)
Name Andrew G. Batch

(SEAL)
Name

(CORPORATION OR PARTNERSHIP DEBTOR(S) SIGN BELOW)

Batcho Electronics, Inc. (C
Name of Corporation or Partnership

By: [signature] President (C
Name and Title

Attest: Andrew Batcho (CORPORATE S
Name and Title

BANCONSUMER FORM PA 170 (Rev. 12/85) ©1985 BANCONSUMER SERVICE

EXHIBIT
tabbies
A

PREPAYMENTS: Unless otherwise agreed to in writing by Debtor, this Note may be prepaid in whole or in part, at any time without penalty. However, if the Principal of this Note is repayable in installments, any such prepayments shall be applied first to accrued interest to the date of prepayment and then on account of the last remaining unpaid Principal payment to become due, and the number of installments due hereunder shall be correspondingly reduced. No such prepayments shall reduce the amounts of the scheduled installments nor relieve Debtor from paying a scheduled installment on each installment payment date until all Principal due together with accrued interest thereon has been paid in full.

DISBURSEMENT OF PROCEEDS: Each Debtor hereby represents and warrants to Lender that the Principal of this Note will be used solely for business or commercial purposes and agrees that any disbursement of the Principal of this Note, or any portion thereof, to any one or more Debtors, shall conclusively be deemed to constitute disbursement of such Principal to and for the benefit of all Debtors.

RIGHT TO COMPLETE NOTE: Lender may at any time and from time to time, without notice to any Obligor: (1) date this Note as of the date when the loan evidenced hereby was made; (2) complete any blank spaces according to the terms upon which Lender has granted such loan; and (3) cause the signature of one or more persons to be added as additional Debtors without in any way affecting or limiting the liability of the existing Obligors to Lender.

MISCELLANEOUS: Debtor hereby waives protest, notice of protest, presentment, dishonor, notice of dishonor and demand. Debtor hereby waives and releases all errors, defects and imperfections in any proceeding instituted by Lender under the terms of this Note. Debtor agrees to reimburse Lender for all costs, including court costs and reasonable attorney's fees of 15% (but in no event less than $1,000) of the total amount due hereunder, incurred by Lender in connection with the collection and enforcement hereof. If this Note bears interest at a rate based on the reference rate designated by Lender or others from time to time as the Prime Rate, Base Rate, or otherwise, or the Discount Rate in effect from time to time as set by the Federal Reserve Bank in whose district the Lender is located, changes in the rate of interest hereon shall become effective on the days on which such reference rate changes or that Federal Reserve Bank announces changes in its Discount Rate, as applicable. The rights and privileges of Lender under this Note shall inure to the benefit of its successors and assigns. All representations, warranties and agreements of Obligor made in connection with this Note shall bind Obligor's personal representatives, heirs, successors and assigns. If any provision of this Note shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Note shall be construed as if such invalid or unenforceable provision had never been contained herein. The waiver of any Event of Default or the failure of Lender to exercise any right or remedy to which it may be entitled shall not be deemed a waiver of any subsequent Event of Default or of Lender's right to exercise that or any other right or remedy to which Lender is entitled. This Note has been delivered to and accepted by Lender in and shall be governed by the laws of the Commonwealth of Pennsylvania, unless Federal law otherwise applies. The parties agree to the jurisdiction of the federal and state courts located in Pennsylvania in connection with any matter arising hereunder, including the collection and enforcement hereof.

GUARANTY AND SURETYSHIP AGREEMENT

WHEREAS, **Andrew Batcho and Andrew G. Batcho**, (hereinafter called "Borrower") desires to transact business with and to obtain credit or a continuation or renewal of credit from **Clearfield Bank & Trust Company** (hereinafter called "Bank"); and

WHEREAS, Bank is unwilling to extend or continue credit or any renewal thereof to Borrower without this Guaranty;

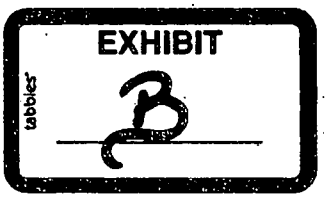
NOW, THEREFORE, in order to induce Bank to extend, continue, or renew credit to Borrower, and in consideration of the premises and the sum of $1.00 and of other good and valuable consideration, the undersigned, as surety, subject to the limitation, if any, hereinafter set forth in Paragraph 1, hereby absolutely and unconditionally guarantees to Bank prompt payment when due and at all times thereafter of any and all existing and future indebtedness and liability of every kind, nature and character (including all renewals, extensions and modifications thereof) from Borrower to Bank, howsoever and whensoever created or arising or evidenced or acquired.

1. The amount of the undersigned's liability hereunder shall be $ 265,000.00. The undersigned agrees that the amount of Borrower's liabilities to Bank may from time to time exceed the undersigned's liability hereunder without in any way affecting or impairing the liability of the undersigned hereunder.

2. This Guaranty is made and shall continue as to any and all indebtedness and liability of Borrower to Bank incurred or arising without regard to collateral or security or guaranties or other obligers, if any, or to the validity or effectiveness of any and all thereof; and any and all such collateral and security and guaranties and other obligers, if any, may from time to time without notice to, or consent of the undersigned, be sold, released, surrendered, exchanged, settled, compromised, waived, subordinated or modified, with or without consideration, on such terms or conditions as may be acceptable to Bank, without in any manner affecting or impairing the liability of the undersigned hereunder. The termination of this Guaranty, in the manner aforesaid, shall not relieve the undersigned from liability upon any indebtedness or liability of Borrower existing at the time of such termination.

3. The undersigned's liability hereunder is several and is independent of any other guaranties at any time in effect with respect to all or any part of the indebtedness or liability of Borrower to Bank, and may be enforced regardless of the existence of any such other guaranties. This is an agreement of suretyship as well as of guaranty, and without being required to proceed first against Borrower or any other person or entity, or against any collateral or other security for Borrower's obligations to Lender, Lender may proceed directly against the undersigned whenever Borrower fails to make any payment when due, or otherwise fails to perform any obligation now or hereafter owed to Bank.

4. The undersigned hereby waives all notices of any character whatsoever with respect to this Guaranty and Borrower's obligations or liabilities to Bank including, but not limited to: notice of acceptance hereof; notice of the creation, existence, amendment, modification,



waiver, renewal, extension or acquisition of any obligation or liability hereby guaranteed; notice of any adverse change in Borrower's financial condition of which Bank acquires knowledge or of any other fact affecting the undersigned's risk hereunder; and notice of default by Borrower or any other guarantor of Borrower's obligations or liabilities. The undersigned further waives presentment, demand, protest, and notice thereof as to any instrument representing indebtedness covered by this Guaranty, as well as any right to require Bank to sue or otherwise enforce payment thereof. In addition, the undersigned waives the benefit of all laws now or hereafter in effect in any way limiting or restricting the liability of the undersigned hereunder and waives all defenses whatsoever to undersigned's liability hereunder other than payment.

5. If any of Borrower's obligations or liabilities to Bank are not duly performed, including the prompt payment when due of any amount payable thereunder, and if Bank is prevented from accelerating payment thereunder, (whether because of bankruptcy, insolvency, or reorganization or any other reason) all of Borrower's liabilities to Bank shall, at Bank's option, be deemed to be forthwith due and payable for the purposes of this Guaranty and the liability of the undersigned hereunder.

6. In addition to all other liability of the undersigned hereunder and notwithstanding the limit, if any, set forth in Paragraph 1 hereof, the undersigned also agrees to pay to Bank on demand all costs and expenses (including reasonable attorney's fees and legal expenses) which may be incurred in the enforcement of the Borrower's liabilities to Bank or the liability of the undersigned hereunder.

7. The undersigned hereby authorizes and empowers any Prothonotary, Clerk or Attorney of any Court of Record prior to, upon or after the occurrence of any Event of Default, as specified above, to appear for and confess judgment against the undersigned in favor of Bank, its successors or assigns, for the sum set forth in Paragraph 1 hereof, with or without declaration filed, with interest and costs, release of error, without stay of execution and with reasonable attorney's fees; and the undersigned further authorizes the immediate issuing of an appropriate writ of execution upon which real or personal property may be sold without delay as provided by law or the rules of civil procedure governing the enforcement of judgments; and the undersigned also waives the right of inquisition on any real estate that may be levied upon to collect the amount due under a judgment obtained by virtue hereof, and undersigned does hereby voluntarily condemn the same and hereby waives and releases all relief from any and all appraisement, stay, exemption or homestead laws of any state, now in force, or hereafter passed, and any right to except to, strike off, open or appeal from the judgment so entered; and if a true copy of this instrument shall be filed in any such action, it shall not be necessary to file the original as a warrant of attorney, any rule of court to the contrary notwithstanding.

No single exercise of the foregoing warrant and power to confess judgment shall be deemed to exhaust the power, but it shall continue undiminished and may be exercised from time to time as often as Bank shall elect, until all sums payable by the undersigned have been paid in full.

8. To secure all obligations of the undersigned hereunder, Bank shall have a lien upon and security interest in and may, without demand or notice of any kind, at any time and from time to time when any amount shall be due and payable by such undersigned hereunder, appropriate and apply toward the payment of such amount, in such order of application as Bank may elect; any and all balances, credits, deposits, accounts or moneys of or in the name of undersigned now or hereafter with Bank, whether held in a general or special account for deposit or for safekeeping or otherwise, and any and all property of every kind or description of or in the name of such undersigned now or hereafter, for any reason or purpose whatsoever, in the possession or control of Bank.

9. The liability of the undersigned under this Guaranty shall be unconditional and irrevocable, irrespective of (a) the genuineness, validity or enforceability of any document executed and delivered to Bank by Borrower to evidence or secure any obligation or liability of Borrower to Bank, (b) any limitation of liability of Borrower contained in any such document, (c) the existence of any collateral or other security given to secure such obligations and liabilities, (d) impossibility or the illegality of performance on the part of Borrower of its obligations or liabilities to Bank, (e) the sale or transfer of all or any portion of the collateral or other security for such obligations or liabilities, (f) any defense that may arise by reason of the incapacity or lack of authority of Borrower, (g) the failure of Bank to file or enforce a claim against the estate of Borrower in any bankruptcy or other proceeding; or (h) any other circumstance, occurrence or condition, whether similar or dissimilar to any of the foregoing, which might otherwise constitute a legal or equitable defense, discharge or release of a guarantor or surety. If Borrower defaults, this Guaranty shall remain in full force and effect until all sums due Bank by Borrower have been indefeasibly paid in full to Lender and until all such sums received by Lender are not subject to rescission, or repayment upon the bankruptcy, insolvency, or reorganization of Borrower.

10. If the undersigned consists of more than one person, such persons shall be jointly and severally liable hereunder. This Guaranty shall inure to the benefit of Bank, its successors, assigns, endorsees and any person or entity, to whom or which Bank may grant any interest in Borrower's obligations or liabilities to Bank or any of them, and shall be binding upon the undersigned and the undersigned's executors, administrators, heirs, successors, assigns and other legal representatives. The undersigned intends this to be a sealed instrument and to be legally bound hereby.

WITNESS the due execution hereof this 26th day of January, 1999.

ATTEST OR WITNESS:

Batcho Business Machines, Inc.

BY: _____ (SEAL)

_____ (SEAL)

ADDRESS: 110 E. Market St., Clearfield, PA 16830

MORTGAGE

This Mortgage is made this 26th day of January, 19 99 between the Mortgagor Andrew Batcho & Andrew G. Batcho (herein "Borrower") and the MORTGAGEE, CLEARFIELD BANK & TRUST COMPANY, a corporation organized and existing under the law of Pennsylvania, whose address is 11 North Second Street, Clearfield, PA 16830 (herein "Lender").

WHEREAS, Borrower and Lender have executed a Promissory Note concurrent herewith providing for a loan to Borrower from Lender of the Principal sum of Two Hundred Sixty Five Thousand ($265,000.00);

WHEREAS, said loan is also secured by a Promissory Note with Borrower as maker and Lender as holder, of even date herewith (herein "Note") providing for 240 installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on 1/26/2019.

NOW THEREFORE, as security for the repayment of the indebtedness evidenced by the Note and the Loan and Security Agreement, with interest thereon, and all renewals, extensions and modification; the payment of all other sums, with interest, advanced under paragraph 6 hereof to protect the security of this mortgage; and the performance of Borrower's covenants and agreements under this Mortgage, the Note and the Loan and Security Agreement; and for the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to paragraph 22 hereof (herein "future advances"), Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of Clearfield, State of Pennsylvania:

which has the address of 110 East Market Street (Street)
Clearfield, Pennsylvania 16830
(City) (Zip Code)
(herein "Property Addresses");

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

TOGETHER WITH all leases and other agreements affecting the use and occupancy of the Property now or hereafter entered into, all licenses and agreements relating to the operation or maintenance of the Property and all rights of Borrower to payment under any such agreement, which is at the time not yet earned by performance (all such leases, licenses and other agreements and such rights thereunder are hereinafter referred to individually as a "Contract Right" or a "lease" and collectively as "Contract Rights or Leases");



PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

TOGETHER WITH rents, receipts, deposits, issues, profits and other income of any and all kinds received or receivable and due or to become due from the sale or lease of all or a portion of the Property (all of such proceeds, receipts and income are hereinafter collectively referred to as the "Income and Rents" and all such rights are hereinafter referred to individually as an "Account Receivable" and collectively as "Accounts Receivable");

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record listed in the Certificate of title delivered to Lender by Borrower's counsel concurrent with the execution and delivery of this Mortgage. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record accepted by Lender.

BORROWER AND LENDER covenant and agree as follows:

1. **Payment of Principal and Interest.**
Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Application of Payments.**
Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to interest due; and last, to principal due.

3. **Charges; Liens.**
Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

4. **Hazard Insurance.**
Borrower shall keep the improvements now existing or hereafter erected on the property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. 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 Borrower subject to Lender's approval which shall not be unreasonable withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgagee clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30 day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1. If under paragraph 17 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

5. **Preservation and Maintenance of Property; Leaseholds.**
Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

6. **Protection of Lender's rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in THE PROPERTY *such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), the Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

7. **Inspection.**
Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

8. **Condemnation.**
The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking or any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following faction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

9. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refused to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

10. **Remedies Cumulative.** All remedies provided in this mortgage are distinct and cumulative to any other right or remedy under this Mortgage or under the Note or Loan and Security Agreement or afforded by law or equity and may be exercised concurrently, independently or successively.

11. **Successors and Assigns Bound; Joint and Several Liability; Cosigners.** The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Mortgage but does not execute the Note: (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Mortgage; (b) is not personally obligated to pay the sums secured by this Mortgage; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note, Loan and Security Agreement or this Mortgage unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Mortgage and may invoke any remedies permitted by paragraph 17.

14. **Notices.**
Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address for any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.**
This Mortgage shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that a provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision. To this end the provisions of this Mortgage and the Note are declared to be severable.

16. **Transfer of the Property or a Beneficial Interest in Borrower.**
If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Mortgage.

If Lender exercised this option, Lender shall give Borrower notice of acceleration. Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

17. **Acceleration; Remedies.**
Upon default by Borrower of any covenant or agreement in the Note, Loan and Security Agreement or this Mortgage, Lender at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 17, including, but not limited to, attorney's fees and cost of title evidence to the extent permitted by applicable law.

18. **Lender in Possession.**
Upon acceleration under paragraph 17 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage.

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

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

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

22. **Future Advances.**
Upon request of Borrower, Lender, at Lender's option prior to release of this mortgage, may make future advances to Borrower. Such future advances, with interest thereon, shall be secured by this mortgage when evidenced by a Promissory Note stating that said Notes are secured hereby. At no time shall the principal amount of the indebtedness secured by this Mortgage, not including sums advanced in accordance herewith to protect the security of this Mortgage, exceed the original amount of the Note.

23. **Environmental Hazards.**
Borrower agrees that Borrower:

(a) (1) shall not generate, transfer, store, dispose of, or permit or suffer to be generated, transferred, stored or disposed of hazardous or toxic waste in, upon, or under the Property except in strict accordance with federal and Pennsylvania laws, rules, regulations and permits; and (2) shall reimburse the Lender on demand, for all costs expended by the Lender or which the Lender is required to pay to any governmental agency or otherwise for environmental audits, studies, inspections, cleanup, removal, or transportation with respect to or from the Property of hazardous or toxic wastes; (3) Borrower provides Lender access to the property at all times to perform its due diligence;

(b) shall not discharge or release or permit or suffer to be discharged or released hazardous or toxic substances in, upon, or under any land or soil which is included in the Property in such a way that such substances become discharged or released upon any such land or soil;

(c) shall comply with all orders or decrees now or hereafter issued by any federal, state or local governmental agency concerning the generation, transfer, storage or disposal or hazardous or toxic substances or the discharge or release of the same in, on under or from the Property or requiring the clean-up or elimination of hazardous or toxic substances in, upon, under, or from the Property;

(d) sh. promptly reimburse any federal or state governmental agency which has expended funds or incurred costs or expenses for environmental audit, study or inspection of the Property or for cleanup, removal or elimination of hazardous or toxic substances in, upon, or under the Property;

(e) where permits are issued or required by any federal or state agency related to or with respect to the Property, the Borrower shall submit annual reports to the Lender showing compliance with such permits; and

(f) shall report or submit to the Lender promptly: (1) any request received by the Borrower for information, inquiry, investigation, notice or violation, administrative order, penalty assessment, suit, or directive from any federal, state or local agency concerning the Property and toxic or hazardous substances, environmental pollution, health risk or safety risk at the Property, and (2) notice of any suit brought by any person or entity alleging any environmental damage or threat, nuisance, non-compliance or health or safety risk related to the Property.

(g) Any violation authorizes Lender to cancel any commitment to advance funds under any note secured by this mortgage, to accelerate any amounts outstanding on this note, or any other note, or allow for foreclosure to be instituted immediately.

24. **Riders to this Mortgage.**
If one or more riders are executed by Borrower and recorded together with this Mortgage, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider(s) were a part of this Mortgage [check applicable box(es)]

[ ] Adjustable Rate Rider [ ] Condominium Rider

[ ] 2-4 Family Rider [ ] Graduated Payment Rider

[ ] Planned Unit Development Rider

[X] Other(s) [specify] Property Description Rider

SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with it.

Witnesses:

(Seal)
Borrower
ANDREW BATCHO

(Seal)
Borrower
ANDREW G. BATCHO

COMMONWEALTH OF PENNSYLVANIA:

: ss.

COUNTY OF CLEARFIELD :

On this, the 26th day of January 1999,

before me the undersigned officer, personally appeared Andrew Batcho and Andrew G. Batcho,

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

subscribed to the within instrument and acknowledged that she

executed the same for the purposes herein contained.

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

Notary Public

My Commission Expires:

I certify that the precise address of the within named lender is: P.O. Box 171, Clearfield, PA 16830

Signature Richard H. Milgrub, Attorney at Law

KAREN L. STARCK
REGISTER AND RECORDER
CLEARFIELD COUNTY, PA
Pennsylvania

INSTRUMENT NUMBER
199901341
RECORDED ON
Jan 27, 1999
1:56:52 PM

RECORDING FEES - RECORDER	$25.00
COUNTY IMPROVEMENT FUND	$1.00
RECORDER IMPROVEMENT FUND	$1.00
STATE ARTI TAX	$0.50
TOTAL	$27.50

ANDREW G BATCHO LINDA L BATCHO TDBA BATCHO OFFICE SYST 814 BARCLAY ST CLEARFIELD PA 16830-1204 **BORROWER'S NAME AND ADDRESS** "I" includes each borrower above, joint and severally.	CLEARFIELD BANK & TRUST COMPANY 11 N. SECOND ST, P O BOX 171 CLEARFIELD, PA 16830 **LENDER'S NAME AND ADDRESS** "You" means the lender, its successors and assigns.	umber 884219 ate 10/25/02 Maturity Date 10/25/12 Loan Amount $ 185,000.00 Renewal Of 688916

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of One hundred eighty five thousand & no/100 Dollars $ 185,000.00

☒ **Single Advance:** I will receive all of this principal sum on 10/25/02. 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 OCTOBER 25, 2002 at the rate of 7.5000 % per year until OCTOBER 25, 2007.

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

☒ **Index Rate:** The future rate will be 1.000% 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 _____. 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: CR REPORT, DOC PREP, PROPERTY REPORT FEES $130.00

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 120 payments. The first payment will be in the amount of $ 2,206.40 and will be due NOVEMBER 25, 2002. A payment of $ 2,206.40 will be due Monthly thereafter. The final payment of the entire unpaid balance of principal and interest will be due OCTOBER 25, 2012.

☒ **WARRANT OF AUTHORITY TO CONFESS JUDGMENT.** Upon default, in addition to all other remedies and rights available to you, by signing below Borrower irrevocably authorizes the prothonotary, 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.

ALS LB

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 5 YEAR TERM. INTEREST WILL ACCRUE BASED UPON THE VARIABLE RATE AS DISCLOSED ABOVE.

PURPOSE: The purpose of this loan is CONSOLIDATION

☒ **SECURITY:** This note is separately secured by (describe separate document by type and date):
SECURITY AGREEMENT AND MORTGAGE DATED MAY 9,2000
(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

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

ANDREW G BATCHO

LINDA L BATCHO

Signature for Lender

WILLIAM A. SHINER
SR VICE PRESIDENT

TDBA BATCHO OFFICE SYSTEMS

Expere © 1984, 1991 Bankers Systems, Inc., St. Cloud, MN Form UN-PA 6/27/2000

EXHIBIT A

and sureties) who agrees to pay this note ... her referred to as "us"). "You" or "your" means the Lender and its s... ...ssors and assigns.

APPLICABLE LAW: The law of the sta... Pennsylvania will govern this note. Any term of this note which is c... to applicable law will not be effective, unless the law permits you a... ...to agree to such a variation. If any provision of this agreement cannot be enforced according to its terms, this fact will not affect the enforceability of the remainder of this agreement. No modification of this agreement may be made without your express written consent. Time is of the essence in this agreement. Any provision that appoints you as an agent is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56, Decedents, Estates and Fiduciaries Code). By exercising any of your rights under this note, you do so for your sole benefit.

PAYMENTS: Each payment I make on this note will first reduce the amount I owe you for charges which are neither interest nor principal. The remainder of each payment will then reduce accrued unpaid interest, and then unpaid principal. If you and I agree to a different application of payments, we will describe our agreement on this note. I may prepay a part of, or the entire balance of this loan without penalty, unless we specify to the contrary on this note. Any partial prepayment will not excuse or reduce any later scheduled payment until this note is paid in full (unless, when I make the prepayment, you and I agree in writing to the contrary).

INTEREST: Interest accrues on the principal remaining unpaid from time to time, until paid in full. If I receive the principal in more than one advance, each advance will start to earn interest only when I receive the advance. The interest rate in effect on this note at any given time will apply to the entire principal advanced at that time. Notwithstanding anything to the contrary, I do not agree to pay and you do not intend to charge any rate of interest that is higher than the maximum rate of interest you could charge under applicable law for the extension of credit that is agreed to here (either before or after maturity). If any notice of interest accrual is sent and is in error, we mutually agree to correct it, and if you actually collect more interest than allowed by law and this agreement, you agree to refund it to me.

INDEX RATE: The index will serve only as a device for setting the rate on this note. You do not guarantee by selecting this index, or the margin, that the rate on this note will be the same rate you charge on any other loans or class of loans to me or other borrowers.

ACCRUAL METHOD: The amount of interest that I will pay on this loan will be calculated using the interest rate and accrual method stated on page 1 of this note. For the purpose of interest calculation, the accrual method will determine the number of days in a "year." If no accrual method is stated, then you may use any reasonable accrual method for calculating interest.

POST MATURITY RATE: For purposes of deciding when the "Post Maturity Rate" (shown on page 1) applies, the term "maturity" means the earliest of the following:

(a) the date of the last scheduled payment indicated on page 1 of this note;
(b) the date you accelerate payment on the note; or
(c) after the entry of judgment on this note by confession or otherwise and applies to amounts owed under this note on any such judgment until paid in full.

SINGLE ADVANCE LOANS: If this is a single advance loan, you and I expect that you will make only one advance of principal. However, you may add other amounts to the principal if you make any payments described in the "PAYMENTS BY LENDER" paragraph below.

MULTIPLE ADVANCE LOANS: If this is a multiple advance loan, you and I expect that you will make more than one advance of principal. If this is closed end credit, repaying a part of the principal will not entitle me to additional credit.

ADVANCE PROCEDURE AND MEANS: You will advance the loan proceeds by way of check, cash, wire transfer, credit to an account or any combination as You and I agree. The advance(s) will occur upon consummation of the loan and as You and I agree, except that no advance(s) will occur until after three business days from the date of consummation if the loan is rescindable pursuant to Regulation Z (12 C.F.R. § 226).

PAYMENTS BY LENDER: If you are authorized to pay, on my behalf, charges I am obligated to pay (such as property insurance premiums), then you may treat those payments made by you as advances and add them to the unpaid principal under this note, or you may demand immediate payment of the charges.

SET-OFF: I agree that you may set off any amount due and payable under this note against any right I have to receive money from you.

"Right to receive money from you" means:

(1) any deposit account balance I have with you;
(2) any money owed to me on an item presented to you or in your possession for collection or exchange; and
(3) any repurchase agreement or other nondeposit obligation.

"Any amount due and payable under this note" means the total amount of which you are entitled to demand payment under the terms of this note at the time you set off. This total includes any balance the due date for which you properly accelerate under this note.

If my right to receive money from you is also owned by someone who has not agreed to pay this note, your right of set-off will apply to my interest in the obligation and to any other amounts I could withdraw on my sole request or endorsement. Your right of set-off does not apply to an account or other obligation where my rights are only as a ... occurs because you set off ... ...of of any check when the dishonor to hold you harmless from ... ...against any of my accounts. I agree exercise of your right of se... ...such claims arising as a result of your

REAL ESTATE OR RESIDEN... SECURITY: If this note is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by the "Default" and "Remedies" paragraphs herein.

DEFAULT: I will be in default if any one or more of the following occur: (1) I fail to make a payment on time or in the amount due; (2) I fail to keep the property insured, if required; (3) I fail to pay, or keep any promise, on any debt or agreement I have with you; (4) any other creditor of mine attempts to collect any debt I owe him through court proceedings; (5) I die, am declared incompetent, make an assignment for the benefit of creditors, or become insolvent (either because my liabilities exceed my assets or I am unable to pay my debts as they become due); (6) I make any written statement or provide any financial information that is untrue or inaccurate at the time it was provided; (7) I do or fail to do something which causes you to believe that you will have difficulty collecting the amount I owe you; (8) any collateral securing this note is used in a manner or for a purpose which threatens confiscation by a legal authority; (9) I change my name or assume an additional name without first notifying you before making such a change; (10) I fail to plant, cultivate and harvest crops in due season; (11) 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.

REMEDIES: If I am in default on this note you have, but are not limited to, the following remedies:

(1) You may demand immediate payment of all I owe you under this note (principal, accrued unpaid interest and other accrued charges).
(2) You may set off this debt against any right I have to the payment of money from you, subject to the terms of the "Set-Off" paragraph herein.
(3) You may demand security, additional security, or additional parties to be obligated to pay this note as a condition for not using any other remedy.
(4) You may refuse to make advances to me or allow purchases on credit by me.
(5) You may use any remedy you have under state or federal law.

By selecting any one or more of these remedies you do not give up your right to later use any other remedy. By waiving your right to declare an event to be a default, you do not waive your right to later consider the event as a default if it continues or happens again.

COLLECTION COSTS AND ATTORNEY'S FEES: I agree to pay all costs of collection, replevin or any other or similar type of cost if I am in default. In addition, if you hire an attorney to collect this note, I also agree to pay any fee you incur with such attorney plus court costs (except where prohibited by law). To the extent permitted by the United States Bankruptcy Code, I also agree to pay the reasonable attorney's fees and costs you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

WAIVER: I give up my rights (to the extent permitted by law) to require you to do certain things. I will not require you to:

(1) demand payment of amounts due (presentment);
(2) obtain official certification of nonpayment (protest); or
(3) give notice that amounts due have not been paid (notice of dishonor).

I waive any defenses I have based on suretyship or impairment of collateral.

OBLIGATIONS INDEPENDENT: I understand that I must pay this note even if someone else has also agreed to pay it (by, for example, signing this form or a separate guarantee or endorsement). You may sue me alone, or anyone else who is obligated on this note, or any number of us together, to collect this note. You may do so without any notice that it has not been paid (notice of dishonor). You may without notice release any party to this agreement without releasing any other party. If you give up any of your rights, with or without notice, it will not affect my duty to pay this note. Any extension of new credit to any of us, or renewal of this note by all or less than all of us will not release me from my duty to pay it. (Of course, you are entitled to only one payment in full.) I agree that you may at your option extend this note or the debt represented by this note, or any portion of the note or debt, from time to time without limit or notice and for any term without affecting my liability for payment of the note. I will not assign my obligation under this agreement without your prior written approval.

CREDIT INFORMATION: I agree and authorize you to obtain credit information about me from time to time (for example, by requesting a credit report) and to report to others your credit experience with me (such as a credit reporting agency). I agree to provide you, upon request, any financial statement or information you may deem necessary. I warrant that the financial statements and information I provide to you are or will be accurate, correct and complete.

NOTICE: Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at my last known address. My current address is on page 1. I agree to inform you in writing of any change in my address. I will give any notice to you by mailing it first class to your address stated on page 1 of this agreement, or to any other address that you have designated.

DATE OF TRANSACTION	PRINCIPAL ADVANCE	BORROWER'S INITIALS (not required)	PRINCIPAL PAYMENTS	PRINCIPAL BALANCE	INTEREST RATE	INTEREST PAYMENTS	INTEREST PAID THROUGH:
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
/ /	$		$	$	%	$	/ /
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/ /	$		$	$	%	$	/ /

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_____ _____

REN L. STARCK
TER AND RECORDER
ARFIELD COUNTY
ennsylvania

ISTRUMENT NUMBER
200006678

RECORDED ON
5-9-2000
11:21 PM

ING FEES - $23.00
RCHIVE FEE $1.00

ER
EMENT FUND $1.00
RFER TAX $0.50
$25.50

BTC

Commonwealth of Pennsylvania — Space Above This Line For Recording Data

OPEN-END MORTGAGE

This Mortgage secures future advances

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is MAY 09, 2000 and the parties, their addresses and tax identification numbers, if required, are as follows:

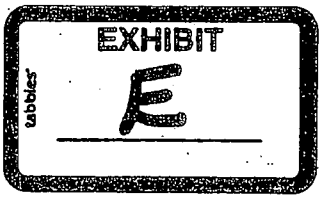
MORTGAGOR: ANDREW G BATCHO
ANDREW BATCHO

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

LENDER: CLEARFIELD BANK & TRUST COMPANY
11 N. SECOND ST, P O BOX 171
CLEARFIELD, 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:

SEE ATTACHED DESCRIPTION



The property is located in CLEARFIELD (County) at

110 E MARKET ST (Address), CLEARFIELD (City), Pennsylvania 16830 (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").

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3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed $ .....200,000.00..... . 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.)*

   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.

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_____ _____ _____ _____

PROPERTY DESCRIPTION RIDER

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel J. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, ninety (90) feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, ninety (90) feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the Plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

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:

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.

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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.

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. If Mortgagor becomes subject to a voluntary or involuntary bankruptcy, Mortgagor agrees that Lender is entitled to receive relief from the automatic stay in bankruptcy for the purpose of making this assignment effective and enforceable under state and federal law.

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.

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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.

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_____ _____ _____ _____

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.

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_____ _____ _____ _____

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 appraisement 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.**

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_____ _____ _____ _____

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: .....

(Signature) ANDREW G BATCHO (Date)

(Witness)

(Signature) (Date)

(Witness)

Entity Name: .....

(Signature) ANDREW BATCHO (Date)

(Witness)

(Signature) (Date)

(Witness)

ACKNOWLEDGMENT:

(Individual)

COMMONWEALTH OF Pennsylvania, COUNTY OF Clearfield } ss.

On this, the 9th day of May 2000, before me Rebecca A. Coleman,

the undersigned officer, personally appeared Andrew G. Batcho & Andrew Batcho,

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
REBECCA A COLEMAN, NOTARY PUBLIC
CLEARFIELD BORO, CLEARFIELD COUNTY
MY COMMISSION EXPIRES AUG 28, 2001

Rebecca A. Coleman

Notary Public

Title of Officer

REBECCA A. COLEMAN
NOTARY PUBLIC
CLEARFIELD CO., PENNSYLVANIA
MY COMMISSION EXPIRES AUG 28, 2001

(Business or Entity Acknowledgment)

COMMONWEALTH OF ....., COUNTY OF ..... } ss.

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, 11N SECOND, CLEARFIELD PA 16830

WILLIAM A. SHINER
SR VICE PRESIDENT

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VERIFICATION

I, LOUIS CYNKAR of CLEARFIELD BANK & TRUST COMPANY, verify that the statements made in the foregoing Complaint are true and correct to the best of my knowledge, information and belief. I understand that false statements herein are made subject to the penalties of 18 PA. C.S.A. 4904, relating to unsworn falsification to authorities.

CLEARFIELD BANK & TRUST COMPANY

By: Louis Cynkar

Louis Cynkar, Vice President
Lending Division Manager

Date: 8/13/07

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

PETITION TO DIRECT SHERIFF TO FILE RETURN OF SERVICE

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

FILED NO CC
m/10:38 Bd
OCT 03 2007
(6K)
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, NO.: 07-275-CD

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO,
and LINDA L. BATCHO,

Defendants.

PETITION TO DIRECT SHERIFF TO FILE RETURN OF SERVICE

NOW COMES Clearfield Bank & Trust Company, by and through its attorneys, McGrath & Associates, P.C., and files this Petition to Direct Sheriff to File Return of Service as follows:

1. Petitioner, Clearfield Bank & Trust Company, is a financial institution with its principal place of business located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830 (hereinafter referred to as "Plaintiff").

2. On or about September 10, 2007, Petitioner filed an Amended Complaint in Mortgage Foreclosure at the above-referenced docket number against Andrew Batcho, Andrew G. Batcho and Linda L. Batcho (hereinafter referred to as "Defendants").

3. Defendants reside in Clearfield County, Pennsylvania.

4. Plaintiff directed the Sheriff of Clearfield County to serve the Amended Complaint in Mortgage Foreclosure upon Defendant, Linda L. Batcho.

5. Plaintiff has been verbally informed by the Sheriff of Clearfield County that Defendant, Linda L. Batcho, was served with the Amended Complaint in Mortgage Foreclosure on or about September 13, 2007.

6. Although service has been made on Defendant, Linda L. Batcho, the Sheriff of Clearfield County has not yet filed the return or affidavit of service, as required by Pa. R.C.P. 405(a).

7. The Petitioner's mortgage foreclosure action involves two commercial loans with a cumulative balance due of over $320,000.00, and Petitioner has been and will continue to be materially prejudiced by the delay due to the failure of the Sheriff of Clearfield County to file the return or affidavit of service.

WHEREFORE, Petitioner, Clearfield Bank & Trust Company, requests that this Honorable Court enter an Order directing the Sheriff of Clearfield County to file the return or affidavit of service of the Amended Complaint in Mortgage Foreclosure on Defendant, Linda L. Batcho, in the matter of Clearfield Bank & Trust Company v. Andrew Batcho, Andrew G. Batcho and Linda L. Batcho, at the above-referenced case number, and provide such return of service to the Prothonotary of Clearfield County within ten (10) days of the entry of the Order of Court.

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: 412-281-4333
Facsimile: 412-281-2141

VERIFICATION

Lori A. Kurtz, Collection Manager and duly authorized representative of Clearfield Bank & Trust Company, deposes and says subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities, that the facts set forth in the foregoing Petition are true and correct to her information and belief.

CLEARFIELD BANK & TRUST COMPANY

By: Lori A. Kurtz

Lori A. Kurtz
Collections Manager

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Petition for Return of Service was served on the following this 2nd day of October, 2007, by first class U.S. mail, postage prepaid:

Chester A. Hawkins
Sheriff of Clearfield County
230 East Market Street
Clearfield, PA 16830

Andrew Batcho
110 East Pauline Street
Clearfield, PA 16830

Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Linda L. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

McGRATH & ASSOCIATES, P.C.

By: CMChristopher
Catherine Martin Christopher, Esquire
PA I.D. No: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, Pennsylvania 15222
Telephone: (412) 281-4333

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

AFFIDAVIT OF SERVICE OF AMENDED COMPLAINT IN MORTGAGE FORECLOSURE

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222

TELEPHONE: (412) 281-4333

FILED NO CC
m/11:33 BK
OCT 04 2007
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO,
and LINDA L. BATCHO,

Defendants.

AFFIDAVIT OF SERVICE

I, Catherine Martin Christopher, Esquire, being duly sworn according to law, deposes and says that Defendants, **Andrew Batcho** and **Andrew G. Batcho** were served with true and correct copies of the Amended Complaint in Mortgage Foreclosure on September 18, 2007, by First Class U.S. Mail, Postage Prepaid, Certificate of Mailing, and Certified Mail, Return Receipt Requested at the addresses of **110 East Pauline Drive, Clearfield, PA 16830** and **45 Rocky Bend Road, Clearfield, PA 16830**, respectively. True and correct copies of the mailing receipts are collectively marked as **Exhibit "A,"** attached hereto and made a part hereof.

McGRATH & ASSOCIATES, P.C.

By: CMChristopher
Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff

SWORN to and subscribed before me this
2nd *day of* October, *2007.*

Michelle C. Imperatore
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Michelle C. Imperatore, Notary Public
City Of Pittsburgh, Allegheny County
My Commission Expires July 25, 2011
Member, Pennsylvania Association of Notaries

U.S. POSTAL SERVICE **CERTIFICATE OF MAILING**

MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL. DOES NOT PROVIDE FOR INSURANCE–POSTMASTER

Received From: *McGrath & Associates, P.C.*
Three Gateway Center
~~401 Liberty Avenue, Suite 1220~~
Pittsburgh, PA 15222

PITTSBURGH PA GATEWAY STA SEP 18 2007 USPS

09/18/2007 031A 0004181589

Mailed From 15222

US POSTAGE $ 01.05 FIRST CLASS

One piece of ordinary mail addressed to:

Andrew Batcho
110 East Pauline Drive
Clearfield, PA 16830

PS Form 3817, January 2001

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

CLEARFIELD PA 16830

Postage	$ 1.82
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 6.62

PITTSBURGH PA GATEWAY STA SEP 18 2007 USPS Postmark Here

7007 0710 0001 6674 6547

Sent To: Andrew Batcho
Street, Apt. No.; or PO Box No.: 110 East Pauline Drive
City, State, ZIP+4: Clearfield PA 16830

PS Form 3800, August 2006 See Reverse for Instructions

SENDER: *COMPLETE THIS SECTION*

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

1. Article Addressed to:

Andrew Batcho
110 East Pauline Drive
Clearfield, PA 16830

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Andrew Batcho ☐ Agent ☒ Addressee

B. Received by (Printed Name) ANDREW BATCHO C. Date of Delivery 9-20-07

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

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

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7007 0710 0001 6674 6547

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

EXHIBIT tabbies A

U.S. POSTAL SERVICE **CERTIFICATE OF MAILING**

MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL. DOES NOT PROVIDE FOR INSURANCE–POSTMASTER

Affix stamps or meter postage and postmark. Fee of Postmaster for current fee.

Received From: *McGrath & Associates, P.C.*
Three Gateway Center
~~401 Liberty Avenue, Suite 1375~~
Pittsburgh, PA 15222

PITTSBURGH PA GATEWAY STA SEP 18 2007 USPS

Mailed From 15222 031A 0516220A PA GATEWAY STA 1589

US POSTAGE $ 01.05 FIRST CLASS

One piece of ordinary mail addressed to:
Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

PS Form **3817**, January 2001

U.S. Postal Service TM
CERTIFIED MAILTM **RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®
CLEAR Batcho Business E

Postage	$ 1.82
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 6.62

PITTSBURGH PA GATEWAY STA SEP 18 2007 USPS Postmark Here

7007 0710 0001 6674 6554

Sent To: Andrew G. Batcho
Street, Apt. No.; or PO Box No.: 45 Rocky Bend Road
City, State, ZIP+4: Clearfield PA 16830

PS Form 3800, August 2006 See Reverse for Instructions

DER: *COMPLETE THIS SECTION*

complete items 1, 2, and 3. Also complete
tem 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.

Article Addressed to:

ndrew G. Batcho
5 Rocky Bend Road
learfield, PA 16830

COMPLETE THIS SECTION ON DELIVERY

A. Signature: X ☐ Agent ☐ Addressee

B. Received by (Printed Name) ANDRE BATCHO C. Date of Delivery

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

CLEARFIELD PA SEP 18 2007

3. Service Type
☑ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

Article Number
(Transfer from service label) 7007 0710 0001 6674 6554

S Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing was served on the following this 2nd day of October, 2007, by first class U.S. mail, postage prepaid:

Andrew Batcho
110 East Pauline Drive
Clearfield, PA 16830

Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Linda L. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

McGRATH & ASSOCIATES, P.C.

By: CMChristopher

Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222
(412) 281-4333

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

CLEARFIELD BANK & TRUST COMPANY, Plaintiff	*	
vs.	*	NO. 07-275-CD
ANDREW BATCHO, ANDREW G. BATCHO and LINDA BATCHO, Defendants	*	

ORDER

NOW, this 5th day of October, 2007, the Court noting the difficulties caused relative no Sheriff's Return having yet been filed with the Prothonotary, and in consideration of Pa. R.C.P. 405 (a) and the Plaintiff's Motion to Direct the Sheriff to File Return of Service, it is the ORDER of this Court that the Sheriff cause a Return of Service to be filed with the Prothonotary by no later than 3:30 p.m. on Monday, October 8th, 2007. The Prothonotary shall notify the Court as to the filing of the return.

BY THE COURT,

FREDRIC J. AMMERMAN
President Judge

FILED 2cc Atty
012:52BY
OCT 05 2007
William A. Shaw
Prothonotary/Clerk of Courts

1cc Sheriff (without memo)

DATE: 10/5/07

__X__ You are responsible for serving all appropriate parties.

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

____ Plaintiff(s) ____ Plaintiff(s) Attorney ____ Other

____ Defendant(s) ____ Defendant(s) Attorney

____ Special Instructions:

FILED
OCT 05 2007
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 103177
NO: 07-275-CD
SERVICE # 1 OF 1
AMENDED COMPLAINT IN MORTGAGE FORECLOSURE

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO

SHERIFF RETURN

NOW, September 13, 2007 AT 8:41 AM SERVED THE WITHIN AMENDED COMPLAINT IN MORTGAGE FORECLOSURE ON LINDA L. BATCHO DEFENDANT AT 45 ROCKY BEND ROAD, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA, BY HANDING TO LINDA L. BATCHO, DEFENDANT A TRUE AND ATTESTED COPY OF THE ORIGINAL AMENDED COMPLAINT IN MORTGAGE FORECLOSURE AND MADE KNOWN THE CONTENTS THEREOF.

SERVED BY: HUNTER /

FILED
09:02 BA
OCT 08 2007

William A. Shaw
Prothonotary/Clerk of Courts

PURPOSE	VENDOR	CHECK #	AMOUNT
SURCHARGE	MCGRATH	23866	10.00
SHERIFF HAWKINS	MCGRATH	23866	22.00

Sworn to Before Me This

_____ Day of _____ 2007

_____

So Answers,

Chester A. Hawkins
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

PRAECIPE FOR DEFAULT JUDGMENT IN MORTGAGE FORECLOSURE AS TO *LINDA L. BATCHO*, ONLY

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esq.
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

FILED pd $20.00
m/9:45
OCT 22 2007 notice to Linda L. Batcho
William A. Shaw Statement to
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

PRAECIPE FOR DEFAULT JUDGMENT IN MORTGAGE FORECLOSURE AS TO *LINDA L. BATCHO*, ONLY

TO: PROTHONOTARY

Please enter a default judgment in the above-captioned case in favor of Plaintiff, **Clearfield Bank & Trust Company**, and against Defendant, **Linda L. Batcho**, Only, in the amount of:

COUNT I
$265,000.00 LOAN

Principal Balance	$	190,217.35
Interest as of 10/16/07	$	17,011.92
Late Charges as of 10/16/07	$	2,066.25
Attorneys' Fees	$	6,870.52
TOTAL	**$**	**216,166.04**

COUNT II
$185,000.00 LOAN

Principal Balance	$	124,590.26
Interest as of 10/16/07	$	7,533.96
Late Charges as of 10/16/07	$	1,103.20
Attorneys' Fees	$	6,870.51
TOTAL	**$**	**140,097.93**

Grand Total of Counts I and II	**$**	**356,263.97**

plus interest, any escrow, late charges, and other amounts as authorized by the Notes and Mortgages from October 16, 2007, including reasonable attorney's fees and costs of collection, and for foreclosure and sale of the Mortgaged Premises.

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222
Telephone (412) 281-4333
Facsimile (412) 281-2141

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO

Defendants.

NOTICE OF ORDER, DECREE OR JUDGMENT

TO: ( ) PLAINTIFF
(X) DEFENDANT, **Linda L. Batcho**
( ) ADDITIONAL DEFENDANT

You are hereby notified that an Order, Decree or Judgment was entered in the above-captioned proceeding on October 22, 2007.

( ) A copy of the Order or Decree is enclosed,

or

(X) The judgment is as follows: **$356,263.97,** plus interest, any escrow, late charges, and other amounts as authorized by the Note and Mortgage from October 16, 2007, including reasonable attorney's fees and costs of collection, and for foreclosure and sale of the Mortgaged Premises.

William A. Shaw
2m
~~Deputy~~

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

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

Before me, the undersigned authority, a Notary Public, in and for said County and State, personally appeared **Catherine Martin Christopher, Esquire**, attorney for and authorized representative of Plaintiff who, being duly sworn according to law, deposes and says that the Defendant, **Linda L. Batcho**, is not in the military service of the United States of America to the best of her knowledge, information and belief and certifies that a Notice of Intent to Take Default Judgment was mailed in accordance with Pa. R.C.P. 237.1, as evidenced by the attached copies.

CMChristopher
Catherine Martin Christopher, Esquire

Sworn to and subscribed before me this
19th *day of* October, *2007.*
Michelle C. Imperatore
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Michelle C. Imperatore, Notary Public
City Of Pittsburgh, Allegheny County
My Commission Expires July 25, 2011
Member, Pennsylvania Association of Notaries

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

TO: Linda L. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

DATE OF NOTICE: October 4, 2007

IMPORTANT NOTICE

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS. YOU SHOULD TAKE THIS NOTICE TO A LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE FOLLOWING OFFICE TO FIND OUT WHERE YOU CAN GET LEGAL HELP:

COURT ADMINISTRATOR
Clearfield County Courthouse
Second & Market Streets
Clearfield, PA 16830
(814) 765-2641, Ext. 50-51

McGRATH & ASSOCIATES, P.C.

By: _____
Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222
Telephone 412-281-4333
Facsimile 412-281-2141

U.S. POSTAL SERVICE **CERTIFICATE OF MAILING**

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

Received From: *McGrath & Associates, P.C.*
Three Gateway Center
~~401 Liberty Avenue, Suite 1375~~
Pittsburgh, PA 15222

One piece of ordinary mail addressed to:
Linda L. Batcho
45 Rocky Bena Road
Clearfield, PA 16830

PITTSBURGH PA GA OCT 4 2007 US

Affix stamps or postage meter mark here

Mailed From 15222

FIRST CLASS

US POSTAGE $ 01.05

PS Form 3817, January 2001

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

COPY

Clearfield Bank & Trust Company
Plaintiff(s)

No.: 2007-00275-CD

Real Debt: $356,263.97

Atty's Comm: $

Vs.

Costs: $

Int. From: $

Entry: $20.00

Linda L. Batcho
Defendant(s)

Instrument: Default Judgment against Linda L. Batcho Only

Date of Entry: October 22, 2007

Expires: October 22, 2012

Certified from the record this October 22, 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

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

PRAECIPE FOR DEFAULT JUDGMENT IN MORTGAGE FORECLOSURE AS TO *ANDREW BATCHO* AND *ANDREW G. BATCHO*, ONLY

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esq.
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

FILED Atty pd. 80.00
m/1:34 61 1 CC & Notice to Defs.
OCT 29 2007
William A. Shaw
Prothonotary/Clerk of Courts
Statement to Atty

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

PRAECIPE FOR DEFAULT JUDGMENT IN MORTGAGE FORECLOSURE AS TO *ANDREW BATCHO* AND *ANDREW G. BATCHO*, ONLY

TO: PROTHONOTARY

Please enter a default judgment in the above-captioned case in favor of Plaintiff, **Clearfield Bank & Trust Company**, and against Defendants, **Andrew Batcho** and **Andrew G. Batcho**, Only, in the amount of:

COUNT I
$265,000.00 LOAN

Principal Balance	$	190,217.35
Interest as of 10/16/07	$	17,011.92
Late Charges as of 10/16/07	$	2,066.25
Attorneys' Fees	$	6,870.52
TOTAL	**$**	**216,166.04**

COUNT II
$185,000.00 LOAN

Principal Balance	$	124,590.26
Interest as of 10/16/07	$	7,533.96
Late Charges as of 10/16/07	$	1,103.20
Attorneys' Fees	$	6,870.51
TOTAL	**$**	**140,097.93**

Grand Total of Counts I and II	**$**	**356,263.97**

plus interest, any escrow, late charges, and other amounts as authorized by the Notes and Mortgages from October 16, 2007, including reasonable attorney's fees and costs of collection, and for foreclosure and sale of the Mortgaged Premises.

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222
Telephone (412) 281-4333
Facsimile (412) 281-2141

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

COPY

NOTICE OF ORDER, DECREE OR JUDGMENT

TO: ( ) PLAINTIFF
(X) DEFENDANT, **Andrew Batcho**
( ) ADDITIONAL DEFENDANT

You are hereby notified that an Order, Decree or Judgment was entered in the above-captioned proceeding on October 29, 2007.

( ) A copy of the Order or Decree is enclosed,

or

(X) The judgment is as follows: **$356,263.97,** plus interest, any escrow, late charges, and other amounts as authorized by the Note and Mortgage from October 16, 2007, including reasonable attorney's fees and costs of collection, and for foreclosure and sale of the Mortgaged Premises.

Deputy

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

COPY

NOTICE OF ORDER, DECREE OR JUDGMENT

TO: ( ) PLAINTIFF
(X) DEFENDANT, **Andrew G. Batcho**
( ) ADDITIONAL DEFENDANT

You are hereby notified that an Order, Decree or Judgment was entered in the above-captioned proceeding on October 29, 2007.

( ) A copy of the Order or Decree is enclosed,

or

(X) The judgment is as follows: **$356,263.97,** plus interest, any escrow, late charges, and other amounts as authorized by the Note and Mortgage from October 16, 2007, including reasonable attorney's fees and costs of collection, and for foreclosure and sale of the Mortgaged Premises.

Deputy

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

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

Before me, the undersigned authority, a Notary Public, in and for said County and State, personally appeared **Catherine Martin Christopher, Esquire**, attorney for and authorized representative of Plaintiff who, being duly sworn according to law, deposes and says that the Defendants, **Andrew Batcho** and **Andrew G. Batcho**, are not in the military service of the United States of America to the best of her knowledge, information and belief and certifies that Notices of Intent to Take Default Judgment were mailed in accordance with Pa. R.C.P. 237.1, as evidenced by the attached copies.

CM Christopher
Catherine Martin Christopher, Esquire

Sworn to and subscribed before me this
26th *day of* October, *2007.*
Michelle C. Imperatore
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Michelle C. Imperatore, Notary Public
City Of Pittsburgh, Allegheny County
My Commission Expires July 25, 2011
Member, Pennsylvania Association of Notaries

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO

Defendants.

TO: Andrew Batcho
110 East Pauline Drive
Clearfield, PA 16830

DATE OF NOTICE: October 15, 2007

IMPORTANT NOTICE

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS. YOU SHOULD TAKE THIS NOTICE TO A LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE FOLLOWING OFFICE TO FIND OUT WHERE YOU CAN GET LEGAL HELP:

COURT ADMINISTRATOR
Clearfield County Courthouse
Second & Market Streets
Clearfield, PA 16830
(814) 765-2641, Ext. 50-51

McGRATH & ASSOCIATES, P.C.

By: CMChristopher

Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222
Telephone 412-281-4333
Facsimile 412-281-2141

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO

Defendants.

TO: Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

DATE OF NOTICE: October 15, 2007

IMPORTANT NOTICE

YOU ARE IN DEFAULT BECAUSE YOU HAVE FAILED TO ENTER A WRITTEN APPEARANCE PERSONALLY OR BY ATTORNEY AND FILE IN WRITING WITH THE COURT YOUR DEFENSES OR OBJECTIONS TO THE CLAIMS SET FORTH AGAINST YOU. UNLESS YOU ACT WITHIN TEN DAYS FROM THE DATE OF THIS NOTICE, A JUDGMENT MAY BE ENTERED AGAINST YOU WITHOUT A HEARING AND YOU MAY LOSE YOUR PROPERTY OR OTHER IMPORTANT RIGHTS. YOU SHOULD TAKE THIS NOTICE TO A LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE FOLLOWING OFFICE TO FIND OUT WHERE YOU CAN GET LEGAL HELP:

COURT ADMINISTRATOR
Clearfield County Courthouse
Second & Market Streets
Clearfield, PA 16830
(814) 765-2641, Ext. 50-51

McGRATH & ASSOCIATES, P.C.

By: Christopher

Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, 13th Floor
Pittsburgh, PA 15222
Telephone 412-281-4333
Facsimile 412-281-2141

U.S. POSTAL SERVICE CERTIFICATE OF MAILING

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

Received From: *McGrath & Associates, P.C.*
Three Gateway Center
~~401 Liberty Avenue, Suite 1375~~
Pittsburgh, PA 15222

One piece of ordinary mail addressed to:
Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

PS Form 3817, January 2001

Affix stamps or meter postage and post mark on date of mailing, or pay fee for current year.

10/15/2001 031A 0004181589 Mailed From 15222

US POSTAGE $ 01.05 FIRST CLASS

PA GATEWAY

U.S. POSTAL SERVICE CERTIFICATE OF MAILING

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

Received From: *McGrath & Associates, P.C.*
Three Gateway Center
~~401 Liberty Avenue, Suite 1375~~
Pittsburgh, PA 15222

One piece of ordinary mail addressed to:
Andrew Batcho
110 East Pauline Drive
Clearfield, PA 16830

PS Form 3817, January 2001

Affix stamps or meter postage and post mark on date of mailing, or pay fee for current year.

USPS 2007

031A 0004181589 Mailed From 15222

US POSTAGE $ 01.05 FIRST CLASS

COPY

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

Clearfield Bank & Trust Company
Plaintiff(s)

No.: 2007-00275-CD

Real Debt: $356,263.97

Atty's Comm: $

Vs.

Costs: $

Int. From: $

Andrew Batcho, Andrew G. Batcho, and Linda L. Batcho
Defendant(s)

Entry: $20.00

Instrument: Default Judgment against Andrew Batcho and Andrew G. Batcho ONLY

Date of Entry: October 29, 2007

Expires: October 29, 2012

Certified from the record this 29th day of October, 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

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

PRAECIPE FOR WRIT OF EXECUTION IN MORTGAGE FORECLOSURE

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

FILED Atty pd. 20.00
NOV 05 2007 m/10:32 bl
William A. Shaw
Prothonotary/Clerk of Courts
1CC @ Lewrits
to Sheriff
w/ prop. description
GK

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO

Defendants.

PRAECIPE FOR WRIT OF EXECUTION IN MORTGAGE FORECLOSURE

TO: PROTHONOTARY

Please issue a Writ of Execution in Mortgage Foreclosure in the above-captioned matter: (1) directed to the Sheriff of Clearfield County; (2) against Defendants, **Andrew Batcho, Andrew G. Batcho** and **Linda L. Batcho**; and (3) with respect to the real property described in **Exhibit "A"**, attached hereto, as follows:

COUNT I
$265,000.00 LOAN

Principal Balance	$	190,217.35
Interest as of 02/25/07	$	23,115.81
Late Charges	$	2,428.54
Attorneys' Fees	$	6,870.52
TOTAL	$	**222,632.22**

COUNT II
$185,000.00 LOAN

Principal Balance	$	124,590.26
Interest as of 02/25/07	$	11,241.39
Late Charges	$	1,434.16
Attorneys' Fees	$	6,870.51
TOTAL	$	**144,136.32**

Grand Total of Counts I and II	$	**366,768.54**

185.00 Prothonotary costs

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222
Telephone (412) 281-4333
Facsimile (412) 281-2141

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, 90 feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, 90 feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

BEING the same premises which Andrew Batcho, a married adult and Andrew G. Batcho, a married adult, granted and conveyed to Andrew G. Batcho and Linda L. Batcho, husband and wife, by Deed dated October 24, 2005, and recorded on May 11, 2006, in the Clearfield County Recorder of Deeds at Instrument No. 200607221.

Exhibit "A"

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

WRIT OF EXECUTION - (MORTGAGE FORECLOSURE)
Pa R.C.P. 3180 to Rule 3257

COPY

CLEARFIELD BANK & TRUST COMPANY,	CIVIL DIVISION
Plaintiff,	NO.: 07-275-CD
vs.	
ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,	
Defendants.	**WRIT OF EXECUTION (MORTGAGE FORECLOSURE)**

Commonwealth of Pennsylvania
County of Clearfield:

TO THE SHERIFF OF CLEARFIELD COUNTY, PENNSYLVANIA:

To satisfy the judgment and costs in the above matter you are directed to levy upon and sell the following described property (specifically described property below):

SEE EXHIBIT "A"

COUNT I
$265,000.00 LOAN

Principal Balance	$	190,217.35
Interest as of 02/25/07	$	23,115.81
Late Charges	$	2,428.54
Attorneys' Fees	$	6,870.52
TOTAL	**$**	**222,632.22**

COUNT II
$185,000.00 LOAN

Principal Balance	$	124,590.26
Interest as of 02/25/07	$	11,241.39
Late Charges	$	1,434.16
Attorneys' Fees	$	6,870.51
TOTAL	**$**	**144,136.32**

Grand Total of Counts I and II **$ 366,768.54**

185.00 **Prothonotary costs**

Seal of the Court

Prothonotary, Common Pleas Court of
Clearfield County, Pennsylvania

Date 11/5/07

By: _____
Deputy

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, 90 feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, 90 feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

BEING the same premises which Andrew Batcho, a married adult and Andrew G. Batcho, a married adult, granted and conveyed to Andrew G. Batcho and Linda L. Batcho, husband and wife, by Deed dated October 24, 2005, and recorded on May 11, 2006, in the Clearfield County Recorder of Deeds at Instrument No. 200607221.

Exhibit "A"

UA

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

TYPE OF PLEADING:

PETITION TO DIRECT SHERIFF TO FILE RETURNS OF SERVICE

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. No. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

FILED NO CC
m/10:55 BM
JAN 10 2008
(GK)
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, NO.: 07-275-CD

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO,
and LINDA L. BATCHO,

Defendants.

PETITION TO DIRECT SHERIFF TO FILE RETURN OF SERVICE

NOW COMES Clearfield Bank & Trust Company, by and through its attorneys, McGrath & Associates, P.C., and files this Petition to Direct Sheriff to File Return of Service as follows:

1. Petitioner, Clearfield Bank & Trust Company, is a financial institution with its principal place of business located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830 (hereinafter referred to as "Plaintiff").

2. On or about September 10, 2007, Petitioner filed an Amended Complaint in Mortgage Foreclosure at the above-referenced docket number against Andrew Batcho, Andrew G. Batcho and Linda L. Batcho (hereinafter referred to as "Defendants").

3. On or about October 22, 2007, Plaintiff entered Judgment as to Defendant, Linda L. Batcho.

4. On or about October 29, 2007, Plaintiff entered Judgment as to Defendants, Andrew Batcho and Andrew G. Batcho.

5. The Sheriff's Sale is scheduled for Friday, February 1, 2008.

6. Defendants reside in Clearfield County, Pennsylvania.

7. Plaintiff directed the Sheriff of Clearfield County to serve the Notice of Sheriff's Sale of Real Estate upon Defendants.

8. Plaintiff has been verbally informed by the Sheriff of Clearfield County that Defendants, Andrew G. Batcho and Linda L. Batcho, were served with the Notice of Sheriff's Sale of Real Estate on or about November 29, 2007 and Defendant, Andrew Batcho, was served on December 17, 2007.

9. Plaintiff was also verbally informed by the Sheriff of Clearfield County that the mortgaged premises was posted with the Handbill on or about November 29, 2007.

10. Although service and posting has been made effectuated, the Sheriff of Clearfield County has not yet filed the returns or affidavits of service, as required by Pa. R.C.P. 405(a).

11. The Petitioner's mortgage foreclosure action involves two commercial loans with a cumulative balance due of over $320,000.00, and Petitioner has been and will continue to be materially prejudiced by the delay due to the failure of the Sheriff of Clearfield County to file the return or affidavit of service.

WHEREFORE, Petitioner, Clearfield Bank & Trust Company, requests that this Honorable Court enter an Order directing the Sheriff of Clearfield County to file the returns or affidavits of service of the Notice of Sheriff's Sale of Real Estate, in the matter of Clearfield Bank & Trust Company v. Andrew Batcho, Andrew G. Batcho and Linda L. Batcho, at the above-referenced case number, and provide such returns of services to the Prothonotary of Clearfield County within ten (10) days of the entry of the Order of Court.

McGRATH & ASSOCIATES, P.C.

By: _____

Catherine Martin Christopher, Esquire
Pa ID: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, Pennsylvania 15222
Telephone: 412-281-4333
Facsimile: 412-281-2141

VERIFICATION

Lori A. Kurtz, Collection Manager and duly authorized representative of Clearfield Bank & Trust Company, deposes and says subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities, that the facts set forth in the foregoing Petition are true and correct to her information and belief.

CLEARFIELD BANK & TRUST COMPANY

By: Lori A Kurtz

Lori A. Kurtz
Collections Manager

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, NO.: 07-275-CD

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

FILED
JAN 11 2008
0/11:40 lw
William A. Shaw
Prothonotary/Clerk of Courts
Cert to Atty
1
SHF

ORDER OF COURT

AND NOW, to wit, this 10th day of January, 2008, upon consideration of the within Petition to Direct Sheriff to File Returns of Service, it is hereby ORDERED, ADJUDGED and DECREED that the Sheriff of Clearfield County is directed to

(a) File the returns of service of the Notice of Sheriff's Sale of Real Estate; and

(b) Provide such returns of service to the Prothonotary of Clearfield County within ten (10) days of the date of this Order.

BY THE COURT:

Judge J. Cammerman

_____, J.

DATE: 1-11-05

___ You are responsible for serving all appropriate parties.

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

___ Plaintiff(s)

X Plaintiff(s) Attorney

___ Defendant(s)

___ Defendant(s) Attorney

___ Other

X Special instructions: SHER

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Petition for Return of Service was served on the following this 9th day of January, 2008, by first class U.S. mail, postage prepaid:

Chester A. Hawkins
Sheriff of Clearfield County
230 East Market Street
Clearfield, PA 16830

Andrew Batcho
110 East Pauline Street
Clearfield, PA 16830

Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Linda L. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

McGRATH & ASSOCIATES, P.C.

By: _____
Catherine Martin Christopher, Esquire
PA I.D. No: 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, Pennsylvania 15222
Telephone: (412) 281-4333

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 20687
NO: 07-275-CD

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO, ANDREW G. BATCHO AND LINDA L. BATCHO

Execution REAL ESTATE

FILED
JAN 11 2008
0/2:45/cw
William A. Shaw
Prothonotary/Clerk of Courts

SHERIFF RETURN

SERVICES

12/17/2007 @ 3:00 PM SERVED ANDREW BATCHO

SERVED ANDREW BATCHO, DEFENDANT, AT HIS RESIDENCE 110 EAST PAULINE DRIVE, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO BETTY BATCHO, WIFE/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.

11/29/2007 @ 10:00 AM SERVED ANDREW G. BATCHO

SERVED ANDREW G. BATCHO, DEFENDANT, AT HIS PLACE OF EMPLOYMENT 115 E. MARKET STREET, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO ANDREW G. BATCHO

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.

11/29/2007 @ 10:00 AM SERVED LINDA L. BATCHO

SERVED LINDA L. BATCHO, DEFENDANT, AT 115 EAST MARKET STREET, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO ANDREW G. BATCHO AT HIS PLACE OF EMPLOYMENT

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.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 20604
NO: 07-275-CD

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO AND ANDREW G. BATCHO

Execution REAL ESTATE

SHERIFF RETURN

DATE RECEIVED WRIT: 6/12/2007

LEVY TAKEN 7/12/2007 @ 10:34 AM

POSTED 7/12/2007 @ 10:34 AM

SALE HELD

SOLD TO

SOLD FOR AMOUNT PLUS COSTS

WRIT RETURNED 1/14/2008

DATE DEED FILED **NOT SOLD**

FILED
01 10:38 BOL
JAN 14 2008
William A. Shaw
Prothonotary/Clerk of Courts

DETAILS

7/12/2007 @ 1:42 PM SERVED ANDREW BATCHO

SERVED ANDREW BATCHO, DEFENDANT, AT HIS RESIDNECE 110 E. PAULINE DRIVE, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO HIS WIFE BETTY BATCHO DUE TO HIS MEDICAL CONDITION

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.

7/12/2007 @ 10:34 AM SERVED ANDREW G. BATCHO

SERVED ANDREW G. BATCHO, DEFENDANT, AT HIS PLACE OF EMPLOYMENT 115 E. MARKET STREET, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO ANDREW G. BATCHO

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, JULY 27, 2007 RECEIVED A FAX LETTER FROM THE PLAINTIFF'S ATTORNEY TO STAY THE SHERIFF SALE SCHEDULED FOR SEPTEMBER 7, 2007.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 20604
NO: 07-275-CD

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO AND ANDREW G. BATCHO

Execution REAL ESTATE

SHERIFF RETURN

SHERIFF HAWKINS	$173.92		
SURCHARGE	$40.00	PAID BY	ATTORNEY

So Answers,

Chester A. Hawkins
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

WRIT OF EXECUTION - (MORTGAGE FORECLOSURE)
Pa R.C.P. 3180 to Rule 3257

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO and
ANDREW G. BATCHO,

Defendants.

WRIT OF EXECUTION
(MORTGAGE FORECLOSURE)

Commonwealth of Pennsylvania
County of Clearfield:

TO THE SHERIFF OF CLEARFIELD COUNTY, PENNSYLVANIA:

To satisfy the judgment and costs in the above matter you are directed to levy upon and sell the following described property (specifically described property below):

SEE EXHIBIT "A"

COUNT I
$265,000.00 LOAN

Principal Balance	$	190,217.35
Interest as of 10/29/07	$	17,658.14
Late Charges	$	1,740.78
Attorneys' Fees	$	2,619.97
TOTAL	**$**	**212,236.24**

COUNT II
$185,000.00 LOAN

Principal Balance	$	124,590.26
Interest as of 10/29/07	$	7,845.44
Late Charges	$	882.56
Attorneys' Fees	$	2,619.97
TOTAL	**$**	**135,938.23**

Grand Total of Counts I and II **$ 348,174.47**

Prothonotary costs $125.00

WILLIAM A. SHAW
Prothonotary
My Commission Expires
1st Monday in Jan. 2010
Clearfield Co., Clearfield, PA

Seal of the Court

Prothonotary, Common Pleas Court of
Clearfield County, Pennsylvania

Date 6-12-07

By: _____
~~Deputy~~

Received this writ this 12th **day**
of June **A.D.** 2007
At 2:00 **A.M./P.M.**

Chester A. Hawkins
Sheriff by Cynthia Butler-Augherbaugh

WILLIAM A. SHAW
Prothonotary
My Comm. Expires
1st Monday in Jan. 2010
Clearfield Co. Clearfield, PA

Received this writ this _____day
of _____A.D.
At _____A.M./P.M.

_____
Sheriff

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, 90 feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, 90 feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

THE FOURTH THEREOF: BEGINNING at a corner of Market and Front Streets; thence East along Market Street a distance of one hundred (100) feet; thence North by line running parallel with the line of Front Street a distance of ninety (90) feet to line of land formerly of Agnes Shaw; thence West by line parallel to line of Market Street a distance of one hundred (100) feet to line of Front Street; thence along line of Front Street a distance of ninety (90) feet to place of beginning. Being a part of Lots 26 and 27 in the General Plan of Clearfield Borough.

BEING the same premises which Andrew Batcho, a married adult and Andrew G. Batcho, a married adult, granted and conveyed to Andrew G. Batcho and Linda L. Batcho, husband and wife, by Deed dated October 24, 2005, and recorded on May 11, 2006, in the Clearfield County Recorder of Deeds at Instrument No. 200607221.

Exhibit "A"

REAL ESTATE SALE
SCHEDULE OF DISTRIBUTION

NAME ANDREW BATCHO NO. 07-275-CD

NOW, January 12, 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 , I exposed the within described real estate of Andrew Batcho And Andrew G. Batcho to public venue or outcry at which time and place I sold the same to he/she being the highest bidder, for the sum of and made the following appropriations, viz:

SHERIFF COSTS:

RDR	15.00
SERVICE	15.00
MILEAGE	2.00
LEVY	15.00
MILEAGE	2.00
POSTING	15.00
CSDS	10.00
COMMISSION	0.00
POSTAGE	4.92
HANDBILLS	15.00
DISTRIBUTION	25.00
ADVERTISING	15.00
ADD'L SERVICE	15.00
DEED	
ADD'L POSTING	
ADD'L MILEAGE	
ADD'L LEVY	
BID/SETTLEMENT AMOUNT	
RETURNS/DEPUTIZE	
COPIES	15.00
	5.00
BILLING/PHONE/FAX	5.00
CONTINUED SALES	
MISCELLANEOUS	
TOTAL SHERIFF COSTS	**$173.92**

DEED COSTS:

ACKNOWLEDGEMENT	
REGISTER & RECORDER	
TRANSFER TAX 2%	0.00
TOTAL DEED COSTS	**$0.00**

PLAINTIFF COSTS, DEBT AND INTEREST:

DEBT-AMOUNT DUE	314,807.61
INTEREST @	0.00
FROM TO	
PROTH SATISFACTION	
LATE CHARGES AND FEES	2,623.34
COST OF SUIT-TO BE ADDED	
FORECLOSURE FEES	
ATTORNEY COMMISSION	5,239.94
REFUND OF ADVANCE	
REFUND OF SURCHARGE	40.00
SATISFACTION FEE	
ESCROW DEFICIENCY	
PROPERTY INSPECTIONS	
INTEREST	25,503.58
MISCELLANEOUS	
TOTAL DEBT AND INTEREST	**$348,214.47**

COSTS:

ADVERTISING	0.00
TAXES - COLLECTOR	
TAXES - TAX CLAIM	
DUE	
LIEN SEARCH	
ACKNOWLEDGEMENT	
DEED COSTS	0.00
SHERIFF COSTS	173.92
LEGAL JOURNAL COSTS	0.00
PROTHONOTARY	125.00
MORTGAGE SEARCH	
MUNICIPAL LIEN	
TOTAL COSTS	**$298.92**

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

McGRATH & ASSOCIATES, P.C.

ATTORNEYS

Catherine Martin Christopher, Esquire
cchristopher@lenderlaw.com

July 27, 2007

VIA FACSIMILE
Attn: Cindy - Real Estate Department
Sheriff of Clearfield County
1 North Second Street, Suite 116
Clearfield, PA 16830

Re: Clearfield Bank & Trust Company v. Andrew Batcho and Andrew G. Batcho
Mortgage Foreclosure Action Case No.: 07-275-CD
Scheduled Sheriff's Sale Date: September 7, 2007

Dear Cindy:

Please be advised that this law firm represents Clearfield Bank & Trust Company in connection with the above-referenced matter. This letter shall serve as our request to stay the Sheriff's Sale scheduled for September 7, 2007. Please announce that the Sheriff's Sale scheduled for September 7, 2007 has been stayed. Please be advised that there was no money realized by the Bank with respect to the Sheriff's Sale. Accordingly, please forward any refund due our office to my attention at your earliest convenience.

Should you have any questions or need anything further with regard to the foregoing, please do no hesitate to contact me. Your assistance with this matter is greatly appreciated.

Very truly yours,

Catherine Martin Christopher

CMC/mci
W:\WPDATA\CLEARFIELD\Batcho Business Machines\Correspondence\070727.Ltr.Sheriff.doc

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY,

Plaintiff,

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

CIVIL DIVISION

NO.: 07-275-CD

Scheduled Sheriff's Sale Date: February 1, 2008 @ 10:00 a.m.

TYPE OF PLEADING:

Pa. R.C.P. RULE 3129.2(c) AFFIDAVIT OF SERVICE AS TO DEFENDANTS/OWNERS, LIENHOLDERS AND PARTIES IN INTEREST

FILED ON BEHALF OF:

CLEARFIELD BANK & TRUST COMPANY, Plaintiff

COUNSEL OF RECORD FOR THIS PARTY:

Catherine Martin Christopher, Esquire
PA I.D. 203512

McGRATH & ASSOCIATES, P.C.
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, Pennsylvania 15222

TELEPHONE: (412) 281-4333
FACSIMILE: (412) 281-2141

FILED NoCC
m/12:15cm
JAN 24 2008
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

Pa. R.C.P. RULE 3129.2(c) AFFIDAVIT OF SERVICE AS TO DEFENDANTS/OWNERS, LIENHOLDERS AND PARTIES IN INTEREST

I, Catherine Martin Christopher, Esquire, Attorney for Plaintiff, **Clearfield Bank & Trust Company**, being duly sworn according to law, depose and make the following Affidavit regarding service of the Notice of Sheriff's Sale of Real Estate, a true and correct copy of which is marked **Exhibit "A"**, attached hereto and made a part hereof, on all persons named in Paragraphs 1 through 7 of Plaintiff's Amended Affidavit Pursuant to Rule 3129.1 as follows:

1. On November 29, 2007, the Sheriff of Clearfield County individually served Defendants, **Andrew G. Batcho** and **Linda L. Batcho, Jr.**, with a Notice of the Sale of Real Estate at **110 E. Market Street, Clearfield, PA 16830**.

2. On November 29, 2007, the Sheriff of Clearfield County posted the mortgaged premises with a Handbill Notice of the Sale at **110 East Market Street, Clearfield, PA 16830**.

3. On December 6, 2007, Plaintiff served Defendants, Lien Holders and Parties in Interest with the Notice of Sheriff's Sale of Real Estate at the addresses listed below by First Class Mail, Postage Pre-Paid. The original U.S. Postal Service Form 3877 which evidences

service of the Notice of Sheriff's Sale of Real Estate is marked **Exhibit "B,"** attached hereto and made a part hereof.

Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Linda L. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Andrew Batcho
110 East Pauline Drive
Clearfield, PA 16830

Onyx Investment, LLC on behalf of Eagle Credit Resources, LLC, assignee of Advanta Bank Corp.
c/o Bernstein Law Firm, P.C.
Suite 2200, Gulf Tower
Pittsburgh, PA 15219

Discover Bank
c/o James C. Warmbrodt, Esquire
Weltman, Weinberg & Reis Co., L.P.A.
436 Seventh Avenue, Suite 2718
Pittsburgh, PA 15219

Discover Bank
3311 Mill Meadow Drive
Hilliard, OH 43026

Clearfield Bank & Trust Company
c/o Meyer, Unkovic & Scott LLP
1300 Oliver Building
Pittsburgh, PA 15222

Carol Fox
Clearfield County Treasurer's Office
230 East Market Street
Clearfield, PA 16830

Rick Redden, Director
Clearfield County Domestic Relations Office
230 East Market Street
Clearfield, PA 16830

Mary Anne Wesdock, Director
Clearfield County Assessment Office
& Tax Claim Bureau
230 East Market Street
Clearfield, PA 16830

Kathy Miller, Tax Collector
120 West Second Avenue
Clearfield, PA 16830

Clearfield Municipal Authority
107 East Market Street
Clearfield, PA 16830

Aszure Luzier or
Tenant/Occupant
110 East Market Street
Apartment #1
Clearfield, PA 16830

Walter Church or
Tenant/Occupant
110 East Market Street
Apartment #2
Clearfield, PA 16830

Mike Keirn or
Tenant/Occupant
110 East Market Street
Apartment #3
Clearfield, PA 16830

Tenant/Occupant
110 East Market Street
Apartment #4
Clearfield, PA 16830

Tenant/Occupant
110 East Market Street
Apartment #5
Clearfield, PA 16830

Tenant/Occupant
110 East Market Street
Clearfield, PA 16830
(Business)

Remit Corp., Unifund CCR
36 W. Main Street
P.O. Box 7
Bloomsburg, PA 17815

LVNV Funding, LLC
2417 Welsh Road
Apt./Ste. 520
Suite 21
Philadelphia, PA 19114

Commonwealth of Pennsylvania
Bureau of Compliance
P.O. Box 948
Harrisburg, PA 17128-0948

4. On December 17, 2007, the Sheriff of Clearfield County served Defendant, **Andrew Batcho**, with a Notice of the Sale of Real Estate at **110 East Pauline Drive, Clearfield, PA 16830**.

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

McGRATH & ASSOCIATES, P.C.

By: CM Christopher

Catherine Martin Christopher, Esquire
PA I.D. No. 203512
Attorneys for Plaintiff
Three Gateway Center
401 Liberty Avenue, Suite 1375
Pittsburgh, PA 15222
Telephone (412) 281-4333
Facsimile (412) 281-2141

SWORN TO AND SUBSCRIBED BEFORE ME THIS

18th *DAY OF* January, *2008.*

Michelle C. Imperatore
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Michelle C. Imperatore, Notary Public
City Of Pittsburgh, Allegheny County
My Commission Expires July 25, 2011
Member, Pennsylvania Association of Notaries

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO

Defendants.

NOTICE OF SHERIFF'S SALE OF REAL ESTATE

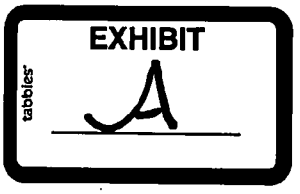
TO: DEFENDANTS, LIENHOLDERS AND PARTIES IN INTEREST

TAKE NOTICE that by virtue of a Writ of Execution issued out of the Court of Common Pleas of Clearfield County, Pennsylvania, and to the Sheriff of Clearfield County, directed, there will be exposed to Public Sale at the Sheriff's Office, Clearfield County Courthouse, 1 North Second Street, Suite 116, Clearfield, Pennsylvania 16830, on FRIDAY, FEBRUARY 1, **2008, at** 10:00 **a.m.**, the real estate known as **110 East Market Street, Clearfield, PA 16830**, of which Andrew G. Batcho and Linda L. Batcho, are the owners or reputed owners, which is further described as follows:

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, 90 feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, 90 feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the plan of the Borough of Clearfield.



Name and Address of Sender

Check type of mail or service:

- ☐ Certified
- ☐ COD
- ☐ Delivery Confirmation
- ☐ Express Mail
- ☐ Insured
- ☐ Recorded Delivery (International)
- ☐ Registered
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation

Affix Stamp Here
(If issued as a certificate of mailing, or for additional copies of this bill)
Postmark and Date of Receipt

US POSTAGE
$ 02.80
FIRST CLASS
Mailed From 15222
12/06/2007
031A 0004181589

Article Number	Addressee (Name, Street, City, State, & ZIP Code)	Postage	Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	DC Fee	SC Fee	SH Fee	RD Fee	RR Fee
1.	Andrew G. Batcho 45 Rocky Bend Road Clearfield, PA 16830	.41	.35									
2.	Linda L. Batcho 45 Rocky Bend Road Clearfield, PA 16830	.41	.35									
3.	Andrew Batcho 110 East Pauline Drive Clearfield, PA 16830	.41	.35									
4.	Onyx Investmetn, LLC on behalf of Eagle Credit Resources, LLC, assigned to Advanta Bank Corp. c/o Bernstein Law Firm, P.C. Suite 2200, Gulf Tower Pittsburgh, PA 15219	.41	.35									
5.	Discover Bank c/o James C. Warmbrodt, Esquire Weltman, Weinberg & Reis Co., L.P.A. 436 Seventh Avenue, Suite 2718 Pittsburgh, PA 15219	.41	.35									
6.	Discover Bank 3311 Mill Meadow Drive Hilliard, OH 43026	.41	.35									
7.	Clearfield Bank & Trust Company c/o Meyer, Unkovic & Scott LLP 1300 Oliver Building Pittsburgh, PA 15222	.41	.35									
8.	Carol Fox Clearfield County Treasurer's Office 230 East Market Street Clearfield, PA 16830	.41	.35									

PITTSBURGH PA GATEWAY STA DEC 6 2007 USPS

Delivery Confirmation
Signature Confirmation
Special
Restricted Delivery

EXHIBIT B
tabbies

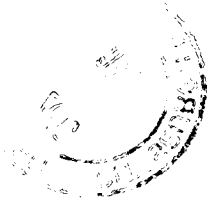
CLEARFIELD Batcho 1 of 3

Total Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster, Per *(Name of receiving employee)*
8	8	

See Privacy Act Statement on Reverse

PS Form **3877**, February 2002 *(Page 1 of 2)*

Complete by Typewriter, Ink, or Ball Point Pen



The full declaration of value is required on all domestic and international registered mail. The maximum indemnity payable for the reconstruction of nonnegotiable documents under Express Mail document reconstruction insurance is $500 per piece subject to additional limitations for multiple pieces lost or damaged in a single catastrophic occurrence. The maximum indemnity payable on Express Mail merchandise insurance is $500, but optional Express Mail Service merchandise insurance is available for up to $5,000 to some, but not all countries. The maximum indemnity payable is $25,000 for registered mail sent with optional postal insurance. See *Domestic Mail Manual* R900, S913, and S921 for limitations of coverage on insured and COD mail. See *International Mail Manual* for limitations of coverage on international mail. Special handling charges apply only to Standard Mail and Parcel Services parcels.

CLEAR/Batch0
2 of 3

Name and Address of Sender

Check type of mail or service:

- ☐ Certified
- ☐ COD
- ☐ Delivery Confirmation
- ☐ Express Mail
- ☐ Insured
- ☐ Recorded Delivery (International)
- ☐ Registered
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation

Affix Stamp Here
(If issued as a certificate of mailing, or for additional copies of this bill)
Postmark and Date of Receipt

US POSTAGE
$ 02.80
FIRST CLASS
Mailed From 15222
12/06/2007
03 A 0004181589

Article Number	Addressee (Name, Street, City, State, & ZIP Code)	Postage	Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	DC Fee	SC Fee	SH Fee	RD Fee	RR Fee
1.	Rick Redden, Director Clearfield County Domestic Realtions Office 230 East Market Street Clearfield, PA 16830	.41	.35									
2.	Mary Anne Wesdock, Director Clearfield County Assessment Office & Tax Claim Bureau 230 East Market Street, Clearfield, PA 16830	.41	.35									
3.	Kathy Miller, Tax Collector 120 West Second Avenue Clearfield, PA 16830	.41	.35									
4.	Clearfield Municipal Authority 107 East Market Street Clearfield, PA 16830	.41	.35									
5.	Aszure Luzier or Tenant/Occupant 110 East Market Street Apartment #1 Clearfield, PA 16830	.41	.35									
6.	Walter Church or Tenant/Occupant 110 East Market Street Apartment #2 Clearfield, PA 16830	.41	.35									
7.	Mike Keirn or Tenant/Occupant 110 East Market Street Apartment #3 Clearfield, PA 16830	.41	.35									
8.	Tenant/Occupant 110 East Market Street Apartment #4 Clearfield, PA 16830	.41	.35									

PITTSBURGH PA GATEWAY STA
DEC 6 2007
USPS

Delivery Confirmation
Signature Confirmation
Special Handling
Restricted Delivery
Return Receipt

Total Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)
8	8	

See Privacy Act Statement on Reverse

PS Form **3877**, February 2002 *(Page 1 of 2)*

Complete by Typewriter, Ink, or Ball Point Pen



The full declaration of value is required on all domestic and international registered mail. The maximum indemnity payable for the reconstruction of nonnegotiable documents under Express Mail document reconstruction insurance is $500 per piece subject to additional limitations for multiple pieces lost or damaged in a single catastrophic occurrence. The maximum indemnity payable on Express Mail merchandise insurance is $500, but optional Express Mail Service merchandise insurance is available for up to $5,000 to some, but not all countries. The maximum indemnity payable is $25,000 for registered mail sent with optional postal insurance. See *Domestic Mail Manual* R900, S913, and S921 for limitations of coverage on insured and COD mail. See *International Mail Manual* for limitations of coverage on international mail. Special handling charges apply only to Standard Mail and Parcel Services parcels.

Name and Address of Sender

Check type of mail or service:

- ☐ Certified
- ☐ COD
- ☐ Delivery Confirmation
- ☐ Express Mail
- ☐ Insured
- ☐ Recorded Delivery (International)
- ☐ Registered
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation

Affix Stamp Here
(If issued as a certificate of mailing, or for additional copies of this bill)
Postmark and Date of Receipt

US POSTAGE
$ 01.75
FIRST CLASS
Mailed From 15222
12/06/2007
031A 0004181589

Article Number	Addressee (Name, Street, City, State, & ZIP Code)	Postage	Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	RD Fee	RR Fee
1.	Tenant/Occupant 110 East Market Street Apartment #5 Clearfield, PA 16830	.41	.35						
2.	Tenant/Occupant 110 East Market Street Clearfield, PA 16830	.41	.35						
3.	Remit Corp., Unifund CCR 36 W. Main Street P.O. Box 7 Bloomsburg, PA 17815	.41	.35						
4.	LVNV Funding, LLC 2417 Welsh Road Apt./Ste. 520 Suite 21 Philadelphia, PA 19114	.41	.35						
5.	Commonwealth of Pennsylvania Bureau of Compliance P.O. Box 948 Harrisburg, PA 17128-0948	.41	.35						
6.									
7.									
8.									

PITTSBURGH PA GATEWAY STA DEC 6 2007 USPS

Delivery Confirmation
Signature Confirmation
Special Handling
Restricted Delivery
Return Receipt

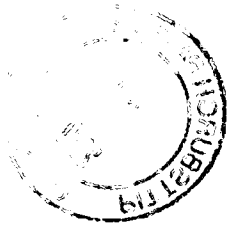
CLEAR/Batcho 3 of 3

Total Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)
5		

See Privacy Act Statement on Reverse

PS Form **3877**, February 2002 *(Page 1 of 2)*

Complete by Typewriter, Ink, or Ball Point Pen



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FILED

JAN 24 2008

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 20687
NO: 07-275-CD

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO, ANDREW G. BATCHO AND LINDA L. BATCHO

Execution REAL ESTATE

SHERIFF RETURN

DATE RECEIVED WRIT: 11/5/2007

LEVY TAKEN 11/29/2007 @ 10:00 AM

POSTED 11/29/2007 @ 10:00 AM

SALE HELD 2/1/2008

SOLD TO CLEARFIELD BANK & TRUST COMPANY

SOLD FOR AMOUNT $100,000.00 PLUS COSTS

WRIT RETURNED 4/14/2008

DATE DEED FILED 4/14/2008

PROPERTY ADDRESS 110 EAST MARKET STREET CLEARFIELD , PA 16830

FILED
012:11BA
APR 14 2008
William A. Shaw
Prothonotary/Clerk of Courts

SERVICES

12/17/2007 @ 3:00 PM SERVED ANDREW BATCHO

SERVED ANDREW BATCHO, DEFENDANT, AT HIS RESIDENCE 110 EAST PAULINE DRIVE, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO BETTY BATCHO, WIFE/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.

11/29/2007 @ 10:00 AM SERVED ANDREW G. BATCHO

SERVED ANDREW G. BATCHO, DEFENDANT, AT HIS PLACE OF EMPLOYMENT 115 E. MARKET STREET, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO ANDREW G. BATCHO

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.

11/29/2007 @ 10:00 AM SERVED LINDA L. BATCHO

SERVED LINDA L. BATCHO, DEFENDANT, AT 115 EAST MARKET STREET, CLEARFIELD, CLEARFIELD COUNTY, PENNSYLVANIA BY HANDING TO ANDREW G. BATCHO AT HIS PLACE OF EMPLOYMENT

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.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 20687
NO: 07-275-CD

PLAINTIFF: CLEARFIELD BANK & TRUST COMPANY
vs.
DEFENDANT: ANDREW BATCHO, ANDREW G. BATCHO AND LINDA L. BATCHO

Execution REAL ESTATE

SHERIFF RETURN

SHERIFF HAWKINS $2,205.92

SURCHARGE $60.00 PAID BY ATTORNEY

Sworn to Before Me This

_____ Day of _____ 2006

_____

So Answers,

Chester A. Hawkins
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

WRIT OF EXECUTION - (MORTGAGE FORECLOSURE)
Pa R.C.P. 3180 to Rule 3257

CLEARFIELD BANK & TRUST COMPANY, CIVIL DIVISION

Plaintiff, NO.: 07-275-CD

vs.

ANDREW BATCHO, ANDREW G. BATCHO, and LINDA L. BATCHO,

Defendants.

WRIT OF EXECUTION (MORTGAGE FORECLOSURE)

Commonwealth of Pennsylvania
County of Clearfield:

TO THE SHERIFF OF CLEARFIELD COUNTY, PENNSYLVANIA:

To satisfy the judgment and costs in the above matter you are directed to levy upon and sell the following described property (specifically described property below):

SEE EXHIBIT "A"

COUNT I
$265,000.00 LOAN

Principal Balance	$	190,217.35
Interest as of 02/25/07	$	23,115.81
Late Charges	$	2,428.54
Attorneys' Fees	$	6,870.52
TOTAL	**$**	**222,632.22**

COUNT II
$185,000.00 LOAN

Principal Balance	$	124,590.26
Interest as of 02/25/07	$	11,241.39
Late Charges	$	1,434.16
Attorneys' Fees	$	6,870.51
TOTAL	**$**	**144,136.32**

Grand Total of Counts I and II **$ 366,768.54**

Received this writ this 5th day
of November A.D. 2007
At 10:30 A.M./P.M.

185.00 **Prothonotary costs**

Chester A. Hawkins
Sheriff by Cynthia Butler-Aughenbaugh

Seal of the Court

Prothonotary, Common Pleas Court of
Clearfield County, Pennsylvania

Date 11/5/07

By: _____
Deputy

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, 90 feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, 90 feet to point in Southern line of Lot No. 24 and place of beginning. Being the Eastern Part of Lot No. 25 and a part of the Northern half of Lot No. 26 in the plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, a distance of approximately fifty-four (54) feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

BEING the same premises which Andrew Batcho, a married adult and Andrew G. Batcho, a married adult, granted and conveyed to Andrew G. Batcho and Linda L. Batcho, husband and wife, by Deed dated October 24, 2005, and recorded on May 11, 2006, in the Clearfield County Recorder of Deeds at Instrument No. 200607221.

Exhibit "A"

REAL ESTATE SALE
SCHEDULE OF DISTRIBUTION

NAME ANDREW BATCHO NO. 07-275-CD

NOW, April 14, 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 February 01, 2008, I exposed the within described real estate of Andrew Batcho, Andrew G. Batcho And Linda L. Batcho to public venue or outcry at which time and place I sold the same to CLEARFIELD BANK & TRUST COMPANY he/she being the highest bidder, for the sum of $100,000.00 plus costs and made the following appropriations, viz:

SHERIFF COSTS:

RDR	15.00
SERVICE	15.00
MILEAGE	2.00
LEVY	15.00
MILEAGE	2.00
POSTING	15.00
CSDS	10.00
COMMISSION	2,000.00
POSTAGE	4.92
HANDBILLS	15.00
DISTRIBUTION	25.00
ADVERTISING	15.00
ADD'L SERVICE	15.00
DEED	30.00
ADD'L POSTING	
ADD'L MILEAGE	2.00
ADD'L LEVY	
BID AMOUNT	100,000.00
RETURNS/DEPUTIZE	
COPIES	15.00
	5.00
BILLING/PHONE/FAX	5.00
CONTINUED SALES	
MISCELLANEOUS	
TOTAL SHERIFF COSTS	**$2,205.92**

DEED COSTS:

ACKNOWLEDGEMENT	5.00
REGISTER & RECORDER	29.00
TRANSFER TAX 2%	0.00
TOTAL DEED COSTS	**$29.00**

PLAINTIFF COSTS, DEBT AND INTEREST:

DEBT-AMOUNT DUE	314,807.61
INTEREST @ %	0.00
FROM TO 02/01/2008	
PROTH SATISFACTION	
LATE CHARGES AND FEES	3,862.70
COST OF SUIT-TO BE ADDED	
FORECLOSURE FEES	
ATTORNEY COMMISSION	13,741.03
REFUND OF ADVANCE	
REFUND OF SURCHARGE	60.00
SATISFACTION FEE	
ESCROW DEFICIENCY	
PROPERTY INSPECTIONS	
INTEREST	34,357.20
MISCELLANEOUS	
TOTAL DEBT AND INTEREST	**$366,828.54**

COSTS:

ADVERTISING	433.06
TAXES - COLLECTOR	
TAXES - TAX CLAIM	21,120.30
DUE	
LIEN SEARCH	100.00
ACKNOWLEDGEMENT	5.00
DEED COSTS	29.00
SHERIFF COSTS	2,205.92
LEGAL JOURNAL COSTS	180.00
PROTHONOTARY	185.00
MORTGAGE SEARCH	40.00
MUNICIPAL LIEN	931.07
TOTAL COSTS	**$25,229.35**

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

FILED.
JUL 22 2008
0/2:10(w
William A. Shaw
Prothonotary/Clerk of Courts
3 cert to Atty
GD

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

CLEARFIELD BANK AND TRUST COMPANY PETITIONER	:	No. 07-275-CD
V.	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO, RESPONDENT	:	Filed on Behalf Of: PETITIONER Counsel of Record For This Party: Alan F. Kirk, Esquire BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C. 330 Innovation Boulevard Third Floor State College, PA 16803 Phone: 814.867.8055 Fax: 814.867.8055 Email: akirk@bccz.com

RULE TO SHOW CAUSE

AND NOW, this 22nd day of July, 2008, upon consideration of the verified Petition To Fix Fair Market Value of Real Estate in this action, it is hereby ORDERED that:

1. Defendants show cause before the Court on September 5, 2008, at 11:00 o'clock A m. in Courtroom No. 1 at the Clearfield County Courthouse, Clearfield, Pennsylvania, why the Petition To Fix Fair Market Value should not be granted, and;

2. Plaintiff shall cause copies of this Rule to Show Cause and the Petition To Fix Fair Market Value of Real Estate, to be served upon Defendants at least 20 days before the date of the hearing.

BY THE COURT:

Paul E Cherry
J.

FILED
JUL 22 2008
William A Shaw
Prothonotary/Clerk of Courts

DATE: 7-22-08

~~A~~ You are responsible for serving all appropriate parties.

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

____ Plaintiff(s) ____ Plaintiff(s) Attorney ____ Other

____ Defendant(s) ____ Defendant(s) Attorney

____ Special Instructions:

FILED 2cc
m/11:14 GK Atty
JUL 21 2008 Kirk
William A. Shaw
Prothonotary/Clerk of Courts
GK

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

CLEARFIELD BANK AND TRUST COMPANY	:	No. 07-275-CD
PETITIONER	:	Type of Pleading: PETITION TO FIX FAIR MARKET VALUE OF REAL ESTATE
V.	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO	:	Filed on Behalf Of: PETITIONER
RESPONDENT	:	Counsel of Record For This Party: Alan F. Kirk, Esquire BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C. 330 Innovation Boulevard Third Floor State College, PA 16803 Phone: 814.867.8055 Fax: 814.867.8055 Email: akirk@bccz.com

PETITION TO FIX FAIR MARKET VALUE OF REAL ESTATE

AND NOW, comes Petitioner by and through its counsel, Babst, Calland, Clements, and Zomnir, P.C., and files the following Petition for Deficiency Judgment and to Fix the Fair Market Value of Real Estate pursuant to 42 PA. C.S.A. §8103, and in support thereof states as follows:

1. Petitioner, **CLEARFIELD BANK AND TRUST COMPANY** is a bank and trust company existing under the laws of the Commonwealth of Pennsylvania, with its principal offices located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830.

2. Respondents, **ANDREW BATCHO,** an adult individual, with a mailing address of 110 Pauline Drive, Clearfield, Pennsylvania 16830 and **ANDREW G. BATCHO and LINDA L. BATCHO**, with a mailing address of 45 Rocky Bend Road, Clearfield, Pennsylvania 16830.

3. On or about February 13, 2007, Petitioner filed a Complaint in Mortgage Foreclosure against Respondents for Respondents' failure to make payment to Petitioner when due. The amount of the judgment is ***$356,263.97.***

4. On February 4, 2008, the property of Respondents known as 110 E. Market Street, Clearfield, Clearfield County, Pennsylvania was sold at Sheriff's sale in execution on the aforesaid judgment. A complete legal description of the premises sold is attached hereto as Exhibit "A" and incorporated herein by reference.

5. Petitioner was the purchaser of the aforesaid property at the Sheriff's sale for the amount of $1.00 plus costs.

6. That the aforesaid property was sold at the Sheriff's sale on February 1, 2008, to the Plaintiff's by Sheriff's Deed dated March 3, 2008 in the amount of One Hundred Thousand and 00/100 ($100,000.00) Dollars.

7. The following named persons are the only persons known to Petitioner as ascertainable by Petitioner upon reasonable inquiry who may be directly or indirectly liable for the payment of the aforesaid judgment debt:

ANDREW BATCHO
ANDREW G. BATCHO and LINDA L. BATCHO

8. The assessed value of the aforesaid property for the year 2007 was ***$94,803.00*** as disclosed in the Assessment Books in the Clearfield County Assessment Office known as Map No. 4.1-KOB-216-00037.

9. The aforesaid property has been appraised on February 5, 2008, by Johnston Realty setting its fair market value at ***$70,000.00*** and on May 5, 2008, the property was sold to Hyman Properties, LLC. for ***$70,000.00***.

10. All prior liens on the aforesaid property which have not been discharged by the sale have been or are being paid by Petitioner.

WHEREFORE, Petitioner, **CLEARFIELD BANK AND TRUST COMPANY** respectfully requests that the fair market value of the aforesaid property be fixed at ***$70,000.00.***

Respectfully submitted,

BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C.

By: _____

Alan F. Kirk, Esquire
Supreme Court ID#36893
Counsel for the Plaintiff
330 Innovation Boulevard, Third Floor
State College, PA 16803

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF:
BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

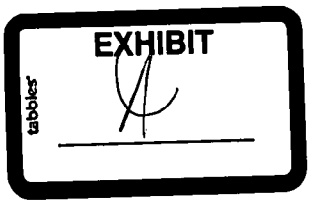
THE SECOND THEREOF:
BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, 90 feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, 90 feet to point in Southern line of Lot No. 24 and place of beginning.

THE THIRD THEREOF:
BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, thence westerly along the line of lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

BEING the same premises granted and conveyed to Clearfield Bank and Trust Company by deed of Chester A. Hawkins, High Sheriff of the County of Clearfield, dated and recorded on April 14, 2008 as Instrument Number 183697.

TOGETHER with all and singular the lot, buildings, improvements, 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 all the estate, right, title, interest, property, claim and demand whatsoever of the said Grantor, in law, equity or otherwise, howsoever, in and to the same and every part thereof.

TO HAVE AND TO HOLD the said lot, buildings, improvements, hereditaments and premises hereby granted, or mentioned, and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, to and for the only proper use and behoof of the said Grantee, its successors and assigns, **FOREVER**,



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

CLEARFIELD BANK AND TRUST COMPANY PETITIONER	:	No. 07-275-CD
V.	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO RESPONDENT	:	Filed on Behalf Of: PETITIONER Counsel of Record For This Party: Alan F. Kirk, Esquire BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C. 328 Innovation Boulevard, Suite 200 State College, PA 16803 Phone: 814.867.8055 Fax: 814.867.8055 Email: akirk@bccz.com

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing ***PETITION TO FIX FAIR MARKET VALUE OF REAL ESTATE*** was served by U.S. Mail, First Class with Proof of Mailing and Certified Mail, Return Receipt Requested, this 18th day of *July*, 2008, upon the following:

ANDREW BATCHO
110 E. PAULINE DRIVE
CLEARFIELD, PA 16830

ANDREW G. BATCHO
45 ROCKY BEND ROAD
CLEARFIELD, PA 16830

LINDA L. BATCHO
45 ROCKY BEND ROAD
CLEARFIELD, PA 16830

Michele M. Steudler, Paralegal to
Alan F. Kirk, Esquire

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

FILED
JUL 31 2008
William A. Shaw
Prothonotary/Clerk of Courts

CLEARFIELD BANK AND TRUST COMPANY,

Petitioner

No. 07-275-CD

V.

ANDREW BATCHO, ANDREW G. BATCHO AND LINDA L. BATCHO.,

Respondents

Filed On Behalf Of: Petitioner

Counsel of Record for this Party:
BABST, CALLAND, CLEMENTS AND ZOMNIR, PC.
ALAN F. KIRK, ESQUIRE
Supreme Court # 36893
330 Innovation Boulevard, Third Floor
State College, PA 16803
(814) 867.8055/Fax: (814) 867.8051

AFFIDAVIT OF SERVICE

I, Alan F. Kirk, Esquire, attorney for the Petitioner in the within matter, hereby certify that on the ***18th*** day of ***July, 2008***, a true and correct copy of the ***Petition To Fix Fair Market Value of Real Estate*** in the above matter was served via First Class U.S. Mail with Certificates of Mailing and Certified Mail on the following:

Mr. Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Ms. Linda L. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Mr. Andrew Batcho
110 E. Pauline Drive
Clearfield, PA 16830

Copies of the said Petition and Certificate of Mailings are attached hereto as Exhibit "A" and "B".

BABST, CALLAND, CLEMENTS AND ZOMNIR, PC.

By: _____
Alan F. Kirk, Esquire

Sworn to and subscribed before me this
29th day of July 2008.

_____
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Michele M. Steudler, Notary Public
College Twp., Centre County
My Commission Expires Apr. 7, 2010
Member, Pennsylvania Association of Notaries

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

CLEARFIELD BANK AND TRUST COMPANY	:	No. 07-275-CD
PETITIONER	:	Type of Pleading: PETITION TO FIX FAIR MARKET VALUE
V.	:	OF REAL ESTATE
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO	:	Filed on Behalf Of: PETITIONER
RESPONDENT	:	Counsel of Record For This Party: Alan F. Kirk, Esquire BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C. 330 Innovation Boulevard Third Floor State College, PA 16803 Phone: 814.867.8055 Fax: 814.867.8055 Email: akirk@bccz.com

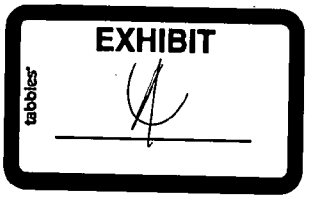
PETITION TO FIX FAIR MARKET VALUE OF REAL ESTATE

AND NOW, comes Petitioner by and through its counsel, Babst, Calland, Clements, and Zomnir, P.C., and files the following Petition for Deficiency Judgment and to Fix the Fair Market Value of Real Estate pursuant to 42 PA. C.S.A. §8103, and in support thereof states as follows:

1. Petitioner, **CLEARFIELD BANK AND TRUST COMPANY** is a bank and trust company existing under the laws of the Commonwealth of Pennsylvania, with its principal offices located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830.

2. Respondents, **ANDREW BATCHO,** an adult individual, with a mailing address of 110 Pauline Drive, Clearfield, Pennsylvania 16830 and **ANDREW G. BATCHO and LINDA L. BATCHO**, with a mailing address of 45 Rocky Bend Road, Clearfield, Pennsylvania 16830.

3. On or about February 13, 2007, Petitioner filed a Complaint in Mortgage Foreclosure against Respondents for Respondents' failure to make payment to Petitioner when due. The amount of the judgment is *$356,263.97.*



4. On February 4, 2008, the property of Respondents known as 110 E. Market Street, Clearfield, Clearfield County, Pennsylvania was sold at Sheriff's sale in execution on the aforesaid judgment. A complete legal description of the premises sold is attached hereto as Exhibit "A" and incorporated herein by reference.

5. Petitioner was the purchaser of the aforesaid property at the Sheriff's sale for the amount of $1.00 plus costs.

6. That the aforesaid property was sold at the Sheriff's sale on February 1, 2008, to the Plaintiff's by Sheriff's Deed dated March 3, 2008 in the amount of One Hundred Thousand and 00/100 ($100,000.00) Dollars.

7. The following named persons are the only persons known to Petitioner as ascertainable by Petitioner upon reasonable inquiry who may be directly or indirectly liable for the payment of the aforesaid judgment debt:

ANDREW BATCHO
ANDREW G. BATCHO and LINDA L. BATCHO

8. The assessed value of the aforesaid property for the year 2007 was ***$94,803.00*** as disclosed in the Assessment Books in the Clearfield County Assessment Office known as Map No. 4.1-KOB-216-00037.

9. The aforesaid property has been appraised on February 5, 2008, by Johnston Realty setting its fair market value at ***$70,000.00*** and on May 5, 2008, the property was sold to Hyman Properties, LLC. for ***$70,000.00***.

10. All prior liens on the aforesaid property which have not been discharged by the sale have been or are being paid by Petitioner.

WHEREFORE, Petitioner, **CLEARFIELD BANK AND TRUST COMPANY** respectfully requests that the fair market value of the aforesaid property be fixed at ***$70,000.00.***

Respectfully submitted,

BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C.

By: _____

Alan F. Kirk, Esquire
Supreme Court ID#36893
Counsel for the Plaintiff
330 Innovation Boulevard, Third Floor
State College, PA 16803

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF:
BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

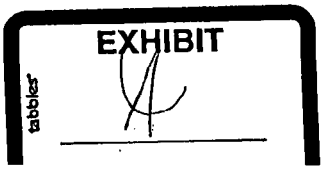
THE SECOND THEREOF:
BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, 90 feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, 90 feet to point in Southern line of Lot No. 24 and place of beginning.

THE THIRD THEREOF:
BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, thence westerly along the line of lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

BEING the same premises granted and conveyed to Clearfield Bank and Trust Company by deed of Chester A. Hawkins, High Sheriff of the County of Clearfield, dated and recorded on April 14, 2008 as Instrument Number 183697.

TOGETHER with all and singular the lot, buildings, improvements, 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 all the estate, right, title, interest, property, claim and demand whatsoever of the said Grantor, in law, equity or otherwise, howsoever, in and to the same and every part thereof.

TO HAVE AND TO HOLD the said lot, buildings, improvements, hereditaments and premises hereby granted, or mentioned, and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, to and for the only proper use and behoof of the said Grantee, its successors and assigns, **FOREVER,**



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

CLEARFIELD BANK AND TRUST COMPANY PETITIONER V. ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO RESPONDENT	:	No. 07-275-CD Filed on Behalf Of: PETITIONER Counsel of Record For This Party: Alan F. Kirk, Esquire BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C. 328 Innovation Boulevard, Suite 200 State College, PA 16803 Phone: 814.867.8055 Fax: 814.867.8055 Email: akirk@bccz.com

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing ***PETITION TO FIX FAIR MARKET VALUE OF REAL ESTATE*** was served by U.S. Mail, First Class with Proof of Mailing and Certified Mail, Return Receipt Requested, this 18th day of ***July,*** 2008, upon the following:

ANDREW BATCHO
110 E. PAULINE DRIVE
CLEARFIELD, PA 16830

ANDREW G. BATCHO
45 ROCKY BEND ROAD
CLEARFIELD, PA 16830

LINDA L. BATCHO
45 ROCKY BEND ROAD
CLEARFIELD, PA 16830

Michele M. Steudler, Paralegal to
Alan F. Kirk, Esquire

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

CLEARFIELD BANK AND TRUST COMPANY PETITIONER	:	No. 07-275-CD
V.	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO, RESPONDENT	:	Filed on Behalf Of: PETITIONER
	:	Counsel of Record For This Party: Alan F. Kirk, Esquire BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C. 330 Innovation Boulevard Third Floor State College, PA 16803 Phone: 814.867.8055 Fax: 814.867.8055 Email: akirk@bccz.com

RULE TO SHOW CAUSE

AND NOW, this _____ day of _____, 2008, upon consideration of the verified Petition To Fix Fair Market Value of Real Estate in this action, it is hereby ORDERED that:

1. Defendants show cause before the Court on _____, 2008, at _____ o'clock ___m. in Courtroom No. _____ at the Clearfield County Courthouse, Clearfield, Pennsylvania, why the Petition To Fix Fair Market Value should not be granted, and;

2. Plaintiff shall cause copies of this Rule to Show Cause and the Petition To Fix Fair Market Value of Real Estate, to be served upon Defendants at least _____ days before the date of the hearing.

BY THE COURT:

_____
J.

7005 1820 0001 9591 0662

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Postage	$ .59
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	3.60
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 6.89

02 1P 0003347054 JUL
MAILED FROM ZIPCODE 16830
UNITED STATES POSTAGE
Postmark Here
PITNEY BOWES
$00

Sent To: Andrew G Batcho
Street, Apt. No.; or PO Box No.: 45 Rocky Bend Rd.
City, State, ZIP+4: Clearfield, PA 16830

PS Form 3800, June 2002 — See Reverse for Instructions

7005 1820 0001 9591 0679

U.S. Postal Service™
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Postage	$ .59
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	3.60
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 6.89

02 1P 0003347054 JUL
MAILED FROM ZIPCODE 16830
UNITED STATES POSTAGE
Postmark Here
PITNEY BOWES
$00

Sent To: Linda L. Batcho
Street, Apt. No.; or PO Box No.: 45 Rocky Bend Rd.
City, State, ZIP+4: Clearfield, PA 16830

PS Form 3800, June 2002 — See Reverse for Instructions

7005 1820 0001 9591 0686

U.S. Postal Service™
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Postage	$ .59
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	3.60
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 6.89

02 1P 0003347054 JUL
MAILED FROM ZIPCODE 16830
UNITED STATES POSTAGE
Postmark Here
PITNEY BOWES
$00

Sent To: Andrew Batcho II
Street, Apt. No.; or PO Box No.: 110 E Pauline Drive
City, State, ZIP+4: Clearfield, PA 16830

PS Form 3800, June 2002 — See Reverse for Instructions

EXHIBIT
tabbies
B

U.S. POSTAL SERVICE **CERTIFICATE OF MAILING**

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

Received From:

BCCZ
330 Innovation Blvd. Third
State College, PA 16803

One piece of ordinary mail addressed to:

Andrew Batcho
110 E. Pauline Drive
Clearfield, PA 16830

Affix fee here in stamps or meter postage and post mark. Inquire of Postmaster for current fee.

UNITED STATES POSTAGE
PITNEY BOWES
$001.10⁰
02 1P
0003347054 JUL 18 2003
MAILED FROM ZIP CODE 16803

PS Form 3817, Mar. 1989

U.S. POSTAL SERVICE **CERTIFICATE OF MAILING**

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

Received From:

BCCZ
330 Innovation Blvd. Third
State College, PA 16803

One piece of ordinary mail addressed to:

Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Affix fee here in stamps or meter postage and post mark. Inquire of Postmaster for current fee.

UNITED STATES POSTAGE
PITNEY BOWES
$001.10⁰
02 1P
0003347054 JUL 18 2003
MAILED FROM ZIP CODE 16803

PS Form 3817, Mar. 1989

U.S. POSTAL SERVICE **CERTIFICATE OF MAILING**

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

Received From:

BCCZ
330 Innovation Blvd. Third
State College, PA 16803

One piece of ordinary mail addressed to:

Linda L. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Affix fee here in stamps or meter postage and post mark. Inquire of Postmaster for current fee.

UNITED STATES POSTAGE
PITNEY BOWES
$001.10⁰
02 1P
0003347054 JUL 18 2003
MAILED FROM ZIP CODE 16803

PS Form **3817**, January 2001

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

FILED

JUL 31 2008
m 11:30/
William A. Shaw
Prothonotary/Clerk of Courts
1 CERT TO ATT

CLEARFIELD BANK AND TRUST COMPANY,

Petitioner

V.

ANDREW BATCHO, ANDREW G. BATCHO AND LINDA L. BATCHO.,

Respondents

No. 07-275-CD

Filed On Behalf Of: Petitioner

Counsel of Record for this Party:
BABST, CALLAND, CLEMENTS AND ZOMNIR, PC.
ALAN F. KIRK, ESQUIRE
Supreme Court # 36893
330 Innovation Boulevard, Third Floor
State College, PA 16803
(814) 867.8055/Fax: (814) 867.8051

AFFIDAVIT OF SERVICE

I, Alan F. Kirk, Esquire, attorney for the Petitioner in the within matter, hereby certify that on the ***29th*** *day of* ***July, 2008***, a true and correct copy of the ***Rule To Show Cause*** in the above matter was served via First Class U.S. Mail with Certificates of Mailing and Certified Mail on the following:

Mr. Andrew G. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Ms. Linda L. Batcho
45 Rocky Bend Road
Clearfield, PA 16830

Mr. Andrew Batcho
110 E. Pauline Drive
Clearfield, PA 16830

Copies of the said Rule To Show Cause and Certified Mailings are attached hereto as Exhibit "A and "B".

BABST, CALLAND, CLEMENTS AND ZOMNIR, PC.

By: _____
Alan F. Kirk, Esquire

Sworn to and subscribed before me this
29th day of July 2008.

_____
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Michele M. Steudler, Notary Public
College Twp., Centre County
My Commission Expires Apr 7, 2010
Member, Pennsylvania Association of Notaries

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Michele M. Steudler, Notary Public
College Twp., Centre County
My Commission Expires Apr 7, 2010
Member, Pennsylvania Association of Notaries

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

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

JUL 22 2008

Attest.

Prothonota
Clerk of Cc

CLEARFIELD BANK AND TRUST COMPANY PETITIONER	:	No. 07-275-CD
V.	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO, RESPONDENT	:	Filed on Behalf Of: PETITIONER Counsel of Record For This Party: Alan F. Kirk, Esquire BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C. 330 Innovation Boulevard Third Floor State College, PA 16803 Phone: 814.867.8055 Fax: 814.867.8055 Email: akirk@bccz.com

RULE TO SHOW CAUSE

AND NOW, this 22nd day of July, 2008, upon consideration of the verified Petition To Fix Fair Market Value of Real Estate in this action, it is hereby ORDERED that:

1. Defendants show cause before the Court on September 5, 2008, at 11:00 o'clock Am. in Courtroom No. 2 at the Clearfield County Courthouse, Clearfield, Pennsylvania, why the Petition To Fix Fair Market Value should not be granted, and;

2. Plaintiff shall cause copies of this Rule to Show Cause and the Petition To Fix Fair Market Value of Real Estate, to be served upon Defendants at least 20 days before the date of the hearing.

BY THE COURT:

/s/ Paul E. Cherry
J.

EXHIBIT
tabbies

COPY

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

CLEARFIELD BANK AND TRUST COMPANY	:	No. 07-275-CD
PETITIONER	:	Type of Pleading: PETITION TO FIX FAIR MARKET VALUE OF REAL ESTATE
V.	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO	:	Filed on Behalf Of: PETITIONER
RESPONDENT	:	Counsel of Record For This Party: Alan F. Kirk, Esquire BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C. 330 Innovation Boulevard Third Floor State College, PA 16803 Phone: 814.867.8055 Fax: 814.867.8055 Email: akirk@bccz.com

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

JUL 21 2008

Attest. William L. Shaw Prothonotary/ Clerk of Courts

PETITION TO FIX FAIR MARKET VALUE OF REAL ESTATE

AND NOW, comes Petitioner by and through its counsel, Babst, Calland, Clements, and Zomnir, P.C., and files the following Petition for Deficiency Judgment and to Fix the Fair Market Value of Real Estate pursuant to 42 PA. C.S.A. §8103, and in support thereof states as follows:

1. Petitioner, **CLEARFIELD BANK AND TRUST COMPANY** is a bank and trust company existing under the laws of the Commonwealth of Pennsylvania, with its principal offices located at 11 N. Second Street, P.O. Box 171, Clearfield, Pennsylvania 16830.

2. Respondents, **ANDREW BATCHO,** an adult individual, with a mailing address of 110 Pauline Drive, Clearfield, Pennsylvania 16830 and **ANDREW G. BATCHO and LINDA L. BATCHO**, with a mailing address of 45 Rocky Bend Road, Clearfield, Pennsylvania 16830.

3. On or about February 13, 2007, Petitioner filed a Complaint in Mortgage Foreclosure against Respondents for Respondents' failure to make payment to Petitioner when due. The amount of the judgment is ***$356,263.97.***

4. On February 4, 2008, the property of Respondents known as 110 E. Market Street, Clearfield, Clearfield County, Pennsylvania was sold at Sheriff's sale in execution on the aforesaid judgment. A complete legal description of the premises sold is attached hereto as Exhibit "A" and incorporated herein by reference.

5. Petitioner was the purchaser of the aforesaid property at the Sheriff's sale for the amount of $1.00 plus costs.

6. That the aforesaid property was sold at the Sheriff's sale on February 1, 2008, to the Plaintiff's by Sheriff's Deed dated March 3, 2008 in the amount of One Hundred Thousand and 00/100 ($100,000.00) Dollars.

7. The following named persons are the only persons known to Petitioner as ascertainable by Petitioner upon reasonable inquiry who may be directly or indirectly liable for the payment of the aforesaid judgment debt:

ANDREW BATCHO
ANDREW G. BATCHO and LINDA L. BATCHO

8. The assessed value of the aforesaid property for the year 2007 was ***$94,803.00*** as disclosed in the Assessment Books in the Clearfield County Assessment Office known as Map No. 4.1-KOB-216-00037.

9. The aforesaid property has been appraised on February 5, 2008, by Johnston Realty setting its fair market value at ***$70,000.00*** and on May 5, 2008, the property was sold to Hyman Properties, LLC. for ***$70,000.00***.

10. All prior liens on the aforesaid property which have not been discharged by the sale have been or are being paid by Petitioner.

WHEREFORE, Petitioner, **CLEARFIELD BANK AND TRUST COMPANY** respectfully requests that the fair market value of the aforesaid property be fixed at ***$70,000.00.***

Respectfully submitted,

BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C.

By: _____

Alan F. Kirk, Esquire
Supreme Court ID#36893
Counsel for the Plaintiff
330 Innovation Boulevard, Third Floor
State College, PA 16803

ALL those certain pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF:
BEGINNING at the Western side of the present frame building, formerly owned by George W. Snyder, on the North side of Market Street; thence West along said Street 46 feet, more or less, to line of lot of Samuel I. Snyder; thence North by same to line of lot formerly owned by Mary Agnes Shaw; thence East along same, 46 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence South by same 90 feet to place of beginning.

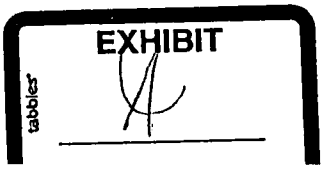
THE SECOND THEREOF:
BEGINNING at a point on the Southern line of Lot No. 24, one hundred three (103) feet, East from Eastern boundary of Front Street; thence East along said line of Lot No. 24, ninety-seven (97) feet to alley between Front and Second Streets; thence South along said alley, 90 feet to point on Eastern line of Lot No. 26; thence West along division line between Northern and Southern halves of Lot No. 26, ninety-seven (97) feet to point; thence North by line parallel with said alley, 90 feet to point in Southern line of Lot No. 24 and place of beginning.

THE THIRD THEREOF:
BEING situate on the North side of Market Street, beginning at the corner of an alley and Lot No. 27 on Market Street; beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley, Northerly, approximately ninety (90) feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw, thence westerly along the line of lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company, Southerly, ninety (90) feet approximately, to Market Street; thence Easterly along Market Street, fifty-four (54) feet, more or less, to the place of beginning.

BEING the same premises granted and conveyed to Clearfield Bank and Trust Company by deed of Chester A. Hawkins, High Sheriff of the County of Clearfield, dated and recorded on April 14, 2008 as Instrument Number 183697.

TOGETHER with all and singular the lot, buildings, improvements, 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 all the estate, right, title, interest, property, claim and demand whatsoever of the said Grantor, in law, equity or otherwise, howsoever, in and to the same and every part thereof.

TO HAVE AND TO HOLD the said lot, buildings, improvements, hereditaments and premises hereby granted, or mentioned, and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, to and for the only proper use and behoof of the said Grantee, its successors and assigns, **FOREVER**,



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

CLEARFIELD BANK AND TRUST COMPANY PETITIONER	:	No. 07-275-CD
V.	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO	:	Filed on Behalf Of: PETITIONER
RESPONDENT	:	Counsel of Record For This Party: Alan F. Kirk, Esquire BABST, CALLAND, CLEMENTS AND ZOMNIR, P.C. 328 Innovation Boulevard, Suite 200 State College, PA 16803 Phone: 814.867.8055 Fax: 814.867.8055 Email: akirk@bccz.com

CERTIFICATE OF SERVICE

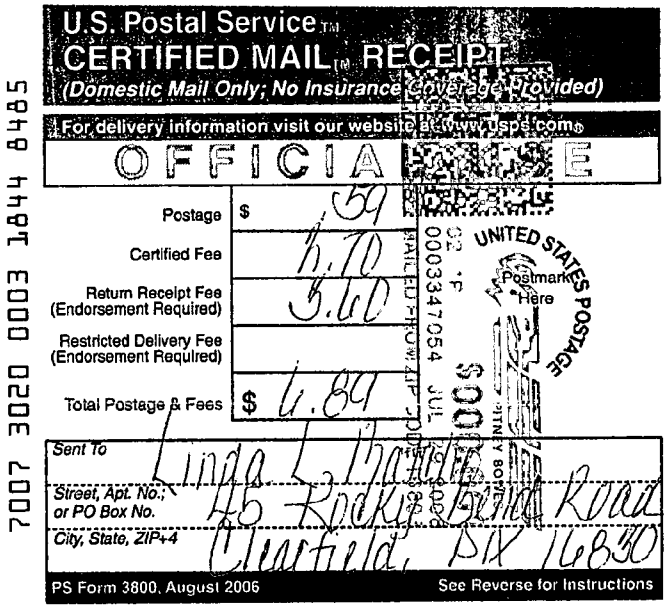
I hereby certify that a true and correct copy of the foregoing ***PETITION TO FIX FAIR MARKET VALUE OF REAL ESTATE*** was served by U.S. Mail, First Class with Proof of Mailing and Certified Mail, Return Receipt Requested, this 18th day of ***July,*** 2008, upon the following:

ANDREW BATCHO
110 E. PAULINE DRIVE
CLEARFIELD, PA 16830

ANDREW G. BATCHO
45 ROCKY BEND ROAD
CLEARFIELD, PA 16830

LINDA L. BATCHO
45 ROCKY BEND ROAD
CLEARFIELD, PA 16830

Michele M. Steudler, Paralegal to
Alan F. Kirk, Esquire



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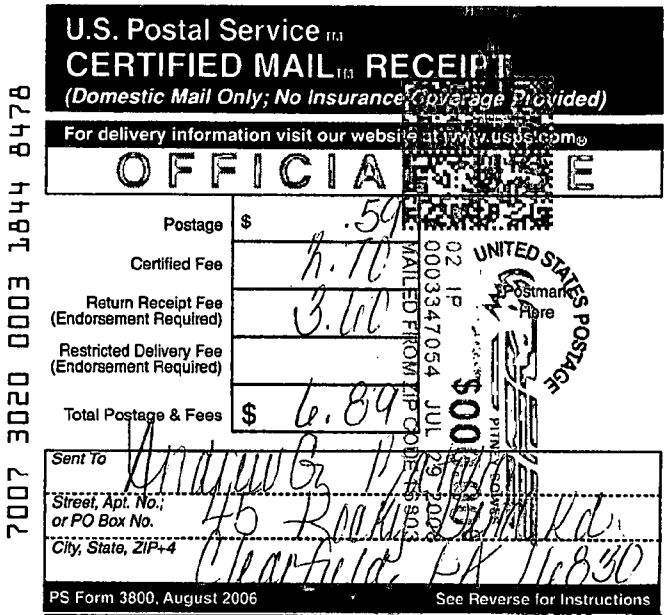
7007 3020 0003 1844 8485

Postage $ .59
Certified Fee 2.70
Return Receipt Fee (Endorsement Required) 3.60
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees $ 6.89

02 F 0003347054 JUL 29 2008 MAILED FROM ZIPCODE 16830
UNITED STATES POSTAGE Postmark Here PITNEY BOWES $00.59

Sent To Linda L Waite
Street, Apt. No.; or PO Box No. 46 Rocky Brook Road
City, State, ZIP+4 Clearfield, PA 16830

PS Form 3800, August 2006 See Reverse for Instructions



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Postage $ .59
Certified Fee 2.70
Return Receipt Fee (Endorsement Required) 3.60
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees $ 6.89

02 IP 0003347054 JUL 29 2008 MAILED FROM ZIPCODE 16830
UNITED STATES POSTAGE Postmark Here PITNEY BOWES $00.59

Sent To Andrew G Waite
Street, Apt. No.; or PO Box No. 46 Rocky Brook Rd.
City, State, ZIP+4 Clearfield, PA 16830

PS Form 3800, August 2006 See Reverse for Instructions



U.S. Postal Service™
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Postage $ .59
Certified Fee 2.70
Return Receipt Fee (Endorsement Required) 3.40
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees $ 6.89

02 IP 0003347054 JUL 29 2008 MAILED FROM ZIPCODE 16830
UNITED STATES POSTAGE Postmark Here PITNEY BOWES $00.59

Sent To Andrew Waite
Street, Apt. No.; or PO Box No. 114 E. Pine Ave
City, State, ZIP+4 Clearfield, PA 16830

PS Form 3800, August 2006 See Reverse for Instructions

EXHIBIT
tabbies
B

U.S. POSTAL SERVICE **CERTIFICATE OF MAILING**

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

Received From:

BOZ
330 Innovation Blvd. Third Floor
State College, PA 16803

One piece of ordinary mail addressed to:

Mr. Andrew G. Batalo
45 Rocky Bend Road
Clearfield, PA 16830

Affix fee here in stamps or meter postage and post mark. Inquire of Postmaster for current fee.

0033347054 JUL 29 2008
MAILED FROM ZIP CODE 16803

UNITED STATES POSTAGE
PITNEY BOWES
$001.10⁰

PS Form **3817**, January 2001

U.S. POSTAL SERVICE **CERTIFICATE OF MAILING**

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

Received From:

BOZ
330 Innovation Blvd. Third Floor
State College, PA 16803

One piece of ordinary mail addressed to:

Ms. Linda L. Batalo
45 Rocky Bend Road
Clearfield, PA 16830

Affix fee here in stamps or meter postage and post mark. Inquire of Postmaster for current fee.

0033347054 JUL 29 2008
MAILED FROM ZIP CODE 16803

UNITED STATES POSTAGE
PITNEY BOWES
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PS Form **3817**, January 2001

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Received From:

BOZ
330 Innovation Blvd. Third Floor
State College, PA 16803

One piece of ordinary mail addressed to:

Mr. Andrew Batalo
170 E. Pauline Drive
Clearfield, PA 16830

Affix fee here in stamps or meter postage and post mark. Inquire of Postmaster for current fee.

0033347054 JUL 29 2008
MAILED FROM ZIP CODE 16803

UNITED STATES POSTAGE
PITNEY BOWES
$001.10⁰

PS Form **3817**, January 2001

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

CLEARFIELD BANK AND TRUST COMPANY
PETITIONER

NO. 2007-275-CD

v.

ANDREW BATCHO
ANDREW G. BATCHO and
LINDA L. BATCHO
RESPONDENT

Type of Case: Petition To Fix Fair Market Value of Real Estate

Type of Pleading: Reply & New Matter

Filed On Behalf Of: Defendants Andrew G. Batcho and Linda L. Batcho, husband & wife

Counsel of Record For This Party:

TIMOTHY E. DURANT, ESQUIRE
Supreme Court I.D. #21352
201 North Second Street
Clearfield, PA 16830
814-765-1711

Opposing Counsel:

ALAN F KIRK, ESQUIRE
I D#36893
BABST, CALLAND, CLEMENTS, AND ZOMNIR, PC
330 Innovation Boulevard
Third Floor
State College, PA 16803
Phone 8148678055
Fax 8148678051
Email: akirk@bccz.com

FILED
09:53 a.m. GK
AUG 21 2008 3cc Atty
William A. Shaw
Prothonotary/Clerk of Courts

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

CLEARFIELD BANK AND TRUST COMPANY
PETITIONER

NO. 2007-275-CD

v.

REPLY AND NEW MATTER TO PETITION TO FIX FAIR MARKET VALUE OF REAL ESTATE

ANDREW BATCHO
ANDREW G. BATCHO and
LINDA L. BATCHO
RESPONDENT

TO: **CLEARFIELD BANK AND TRUST COMPANY**
c/o ALAN F KIRK, ESQUIRE
BABST, CALLAND, CLEMENTS, AND ZOMNIR, PC
330 Innovation Boulevard, Third Floor
State College, PA 16803

NOTICE TO PLEAD

You are hereby notified to file a written response to the enclosed New Matter within twenty (20) days from service hereof or a judgment may be entered against you.

Timothy E. Durant, Esquire Attorney for
Defendants, Andrew G. Batcho & Linda L. Batcho
201 North Second Street
Clearfield, PA 16830
(814) 765-1711

Dated: August 20, 2008

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

CLEARFIELD BANK AND TRUST COMPANY	:	No. 07-275-CD
PETITIONER :	:	Type of Pleading: REPLY AND NEW MATTER TO PETITION TO FIX FAIR MARKET VALUE OF REAL ESTATE
V.	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO	:	Filed on Behalf Of: RESPONDENTS ANDREW G. & LINDA L. BATCHO
RESPONDENT	:	Counsel of Record For These Parties: TIMOTHY E. DURANT, Esquire 201 North Second Street Clearfield, PA 16830 814-765-1711

REPLY TO PETITION TO FIX FAIR MARKET VALUE OF REAL ESTATE

AND NOW, come Respondents Andrew G. Batcho and Linda L. Batcho by and through their counsel, Timothy E. Durant, Esquire and file the following Response to Clearfield Bank and Trust's Petition for Deficiency Judgment and to Fix the Fair Market Value of Real Estate pursuant to 42 PA. C.S.A. §8103, and In support thereof state as follows:

1. Admitted.

2. Admitted.

3. Admitted that a Mortgage Foreclosure action was filed. Denied that Petitioner is entitled to $356,263.97 for the reasons set out herein.

4. Denied. On the contrary, as stated in paragraph 6 of the Petition the property of Respondents known as 110 E. Market Street, Clearfield, Clearfield County, Pennsylvania was sold at Sheriff's sale in execution on the aforesaid judgment on February 1, 2008 not February 4, 2008.

Admitted that a complete legal description of the premises sold was attached to the Petition as Exhibit "A".

5. Denied. On the contrary, the Petitioner was the purchaser of the aforesaid property at the Sheriff's sale for the amount of $100,000.00 plus costs as stated in paragraph 6 of the Petition and also as evidenced in Clearfield County Recorder's Office as Instrument No. 2008-05196 which is incorporated herein by reference.

6. Admitted.

7. Admitted.

8. Denied. On the other hand there are two assessment numbers pertaining to the subject property and the value is not $94,803.00. Furthermore, according to the official county assessment records the fair market value of the subject properties (comprised of three parcel descriptions and two assessment numbers) based upon the Clearfield County real estate tax assessment records for the subject parcels, i.e. Tax Map Nos. 4.1-K8-216-37 and 4.1-K8-216-89 for the year 2007 and though and including February 1, 2008 (date of sale) was $274,562.50. This valuation is based upon a methodology recognized by the Commonwealth of Pennsylvania as follows: utilizing the two assessed values, i.e. 7,7775 + 39,975 = 47,750 (total assessed value) multiplied by the applicable common level ratio of 5.75 = $274,562.50 (fair market value).

9. Denied. On the contrary, after reasonable investigation Respondents, Andrew G. Batcho and Linda L. Batcho are without knowledge or information sufficient to form a belief as to the truth of this averment about the appraisal by Johnston Realty. Strict proof thereof is demanded at hearing if relevant. In further answer Respondents state that these properties in the First Ward of Clearfield Borough have a value in excess of $314,000.00. They contain a 24,000 square foot commercial retail sales building with offices and facilities for machine repairs, storage and a garage.

The subject properties also contain 5 residential apartments on the second floor (of which 3 are one bedroom apartments, one is a two bedroom apartment and one is a three bedroom apartment) and an adjacent 20 car downtown parking lot bordered by East Market Street and Vanvalzah Avenue. Recently a new metal roof was put on one of the buildings. Admitted that the property was sold to Hyman Properties, LLC for $70,000 00 on May 5, 2008 as evidenced by Clearfield County Recorder's Office Instrument No. 2008-06657 which is incorporated herein by reference. Denied however that this price is the fair market value for the premises. It was grossly underpriced. Attached hereto as Exhibit "A" is a copy of the County Assessment Map showing the subject properties as parcel #37 and #89.

10. Denied. On the contrary, after reasonable investigation Respondents, Andrew G. Batcho and Linda L. Batcho are without knowledge or information sufficient to form a belief as to the truth of this averment. Strict proof thereof is demanded at hearing if relevant.

NEW MATTER

11. Paragraphs 1-10 of Respondents' Response are incorporated herein by reference as if set forth at length.

12. Petitioner refused to allow anyone to buy the subject premises prior to the foreclosure sale by the Sheriff.

13. After sending a demand letter to Respondents on or about December 20, 2006 Petitioner rejected a specific offer to buy the premises for $275,000.00 which offer was tendered in January 2007. In February 2007 Petitioner filed their foreclosure action.

14. Petitioner by its agent Lori Kurtz, advised an interested party at the Sheriff's sale on February 1, 2008 that Petitioner would not stop bidding on the properties unless they received a bid of at least $314,000.00 evidencing that they believed at the time of the sale that the properties were

worth at least that amount.

15. At the Sheriff's sale on February 1, 2008 Petitioner by its agent, Lori Kurtz bid $100,000.00 plus costs to secure the property evidencing that at least one other person at that sale believed the subject properties were worth at least that amount.

16. Petitioner failed to return phone calls or respond to inquiries by interested parties prior to the sale to Hyman and effectively shut out other potential buyers.

17. Immediately prior to the sale to Hyman properties Petitioner's agent, Lori Kurtz called an individual and asked him if he would be willing to buy the subject properties for $110,000.00 and when he told her yes, she assured him the buildings were his. Within a few days after this conversation Petitioner sold the subject parcels to Hyman Properties for $70,000.00.

18. In 2007 and 2008 prior to the Sheriff's sale of the premises Plaintiff's agent (Lori Kurtz) was contacted by a business owner with property adjoining 110 E. Market Street and notwithstanding his repeated telephone calls she failed to respond to the inquirer as to what figure the Bank would accept for a sale.

19. Petitioner did not act in a commercially reasonable manner so as to minimize their losses in this matter.

20. Petitioner has acted in bad faith by blocking respondents' attempts to sell their building and the efforts of others to purchase the building.

Affirmative Defense - Estoppel

21. The efforts by Plaintiff Bank to stall and prevent the sale of the real estate at 110 E. Market Street, Clearfield, PA prior to the Sheriff's sale on February 1, 2008 has prejudiced the defendant in that he has been prevented from ameliorating his damages or taking any corrective actions to prevent a default.

22. It is believed and therefore averred that the Plaintiff's sale of the subject properties to Hyman Properties, LLC is part of a complex predatory arrangement between them and perhaps others for the purpose of enriching the buyers or others at the expense of Respondents.

23. Petitioner's attempt to maximize the disparity between sale price and the obligations of the Respondents should cause this court to invoke its latent equity powers to find the Petitioner has unclean hands and its Petition to Fix Fair Market Value of Real Estate should be dismissed with prejudice.

24. In the alternative, if this court does not dismiss the Petition Respondents believe Plaintiff's price for the value of the subject real estate should be fixed at the price provided by expert testimony at the hearing but in no event less than the $314,000.00 price they demanded at the Sheriff's sale on February 1, 2008.

WHEREFORE, Respondents, **ANDREW G. BATCHO and LINDA L. BATCHO** respectfully request that the Petition be dismissed with prejudice for all the reasons set out above or in the alternative that fair market value of the aforesaid property be fixed at $314,000 00 or at such other value as shall be supported by a qualified professional appraisal as shall seem appropriate to this Court.

Respectfully submitted,

August 20, 2008

Timothy E. Durant, Esquire
Supreme Court ID #21352
Counsel for the Respondents
201 North Second Street
Clearfield, PA 16830

VERIFICATION

I, **ANDREW G. BATCHO**, do verify that the statements made in this Petition/Pleading are true and correct to the best of my knowledge, information and belief. Affiant understands that false statements herein are made subject to the penalties of 18 Pa.C.S. §4904, relating to unsworn falsification to authorities.

ANDREW G. BATCHO

Dated: Aug. 20, 2008

VERIFICATION

I, **LINDA L. BATCHO**, do verify that the statements made in this Petition/Pleading are true and correct to the best of my knowledge, information and belief. Affiant understands that false statements herein are made subject to the penalties of 18 Pa.C.S. §4904, relating to unsworn falsification to authorities.

Linda L. Batcho
LINDA L. BATCHO

Dated: 8/20/08

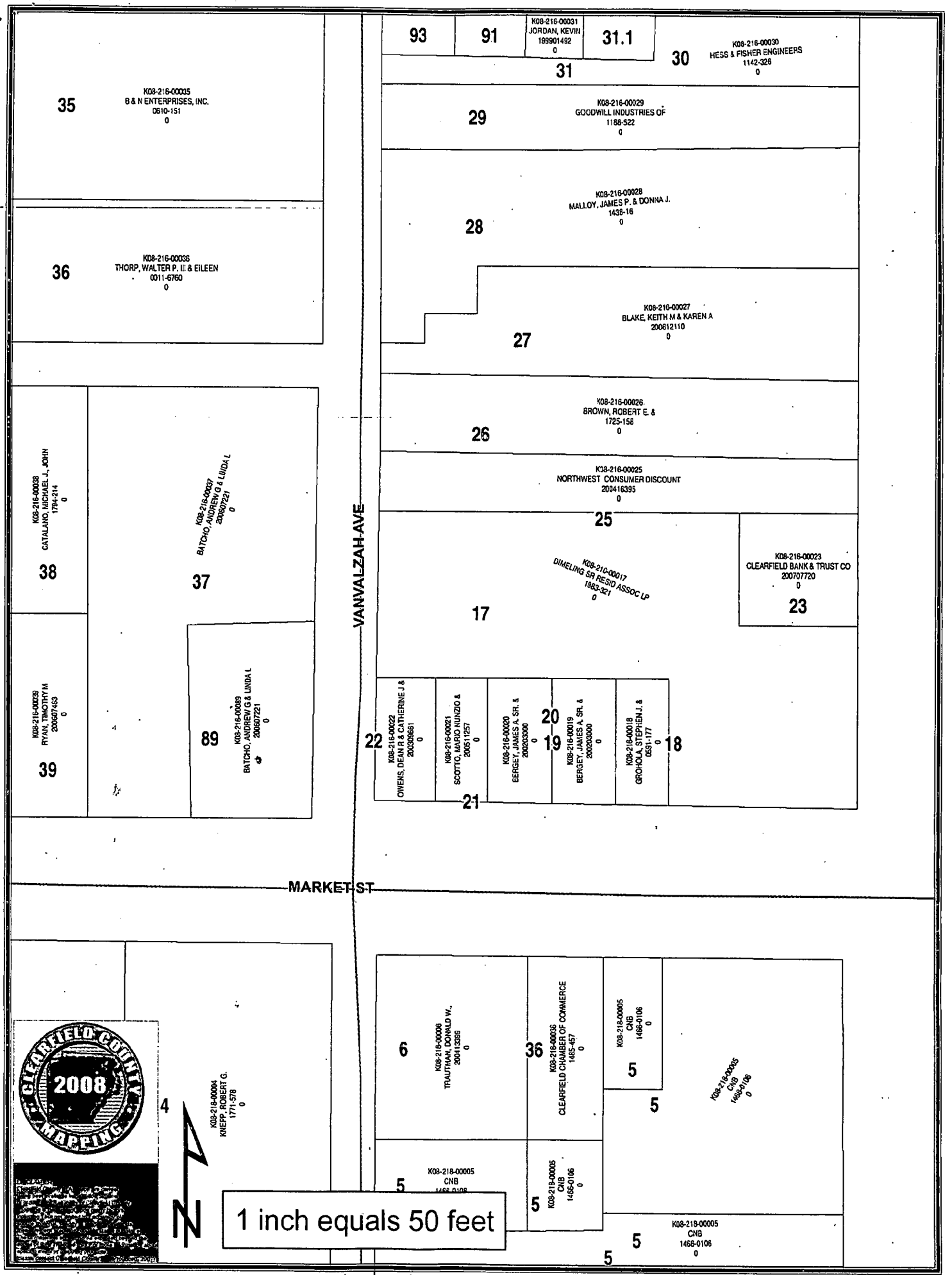

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1142-328
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K08-216-00035
B & N ENTERPRISES, INC.
0610-151
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K08-216-00029
GOODWILL INDUSTRIES OF
1188-522
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K08-216-00028
MALLOY, JAMES P. & DONNA J.
1438-16
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THORP, WALTER P. III & EILEEN
0011-6760
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BLAKE, KEITH M & KAREN A
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K08-216-00026
BROWN, ROBERT E. &
1725-156
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26
K38-216-00025
NORTHWEST CONSUMER DISCOUNT
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CATALANO, MICHAEL J., JOHN
1784-214
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BATCHO, ANDREW G & LINDA L
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K08-216-00017
DIMELING SR RESID ASSOC LP
1983-321
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K08-216-00023
CLEARFIELD BANK & TRUST CO
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VANVALZAH AVE
K08-216-00039
RYAN, TIMOTHY M
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BATCHO, ANDREW G & LINDA L
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OWENS, DEAN R & CATHERINE J &
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SCOTTO, MARIO HUNZIO &
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BERGEY, JAMES A. SR. &
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BERGEY, JAMES A. SR. &
200203000
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K08-216-00018
GROHOLA, STEPHEN J. &
0591-177
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MARKET ST
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K08-218-00006
TRAUTMAN, DONALD W.
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CLEARFIELD CHAMBER OF COMMERCE
1485-457
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1466-0106
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CNB
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CLEARFIELD COUNTY
2008
MAPPING
1 inch equals 50 feet

Exhibit "A"

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

CLEARFIELD BANK AND TRUST COMPANY
PETITIONER

NO. 2007-275-CD

v.

ANDREW BATCHO
ANDREW G. BATCHO and
LINDA L. BATCHO
RESPONDENT

Type of Case: Petition To Fix Fair Market Value of Real Estate

Type of Pleading: Request for Continuance

Filed On Behalf Of: Defendants Andrew G. Batcho and Linda L. Batcho, husband & wife

FILED 3cc Atty Durant
0/10:45cm
AUG 29 2008
William A. Shaw
Prothonotary/Clerk of Courts

Counsel of Record For This Party:

TIMOTHY E. DURANT, ESQUIRE
Supreme Court I.D. #21352
201 North Second Street
Clearfield, PA 16830
814-765-1711

Opposing Counsel:

ALAN F KIRK, ESQUIRE
I D#36893
BABST, CALLAND, CLEMENTS, AND ZOMNIR, PC
330 Innovation Boulevard
Third Floor
State College, PA 16803
Phone 814-867-8055
Fax 814-867-8051
Email: akirk@bccz.com

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

CLEARFIELD BANK AND TRUST COMPANY	:	No. 07-275-CD
PETITIONER	:	Type of Pleading: REQUEST FOR CONTINUANCE
V.	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO	:	Filed on Behalf Of: RESPONDENTS ANDREW G. & LINDA L. BATCHO
RESPONDENT	:	Counsel of Record For These Parties: TIMOTHY E. DURANT, Esquire 201 North Second Street Clearfield, PA 16830 814-765-1711

DEFENDANTS' REQUEST FOR CONTINUANCE OF HEARING TO FIX FAIR MARKET VALUE OF REAL ESTATE

AND NOW, come Respondents Andrew G. Batcho and Linda L. Batcho by and through their counsel, Timothy E. Durant, Esquire and ask this Court to grant a continuance of the hearing upon this matter as presently scheduled for 11:00 AM in Court Room No. 2, on Friday, September 5, 2008 for the reasons which follow:

1. A crucial witness who tried to purchase the foreclosed property before and after the Sheriff's sale of February 1, 2008 is not available and will be out of town on the date scheduled.

2. The expert witness intended to be called by Defendants will need to obtain access to the subject premises for appraisal purposes prior to the hearing and this has not yet been accomplished and it is not yet known if the Bank's buyers (Hyman Properties, LLC) will cooperate with this need but attempts are being made by the Professional Appraiser to obtain entry.

3. Certain New Matter was alleged and served upon Plaintiff on August 21, 2008. In

accordance with the Pennsylvania Rules of Civil Procedure Plaintiff has 20 days to respond to those allegations. The 20 days does not expire until September 10, 2008.

4. Defendants have requested a copy of the Johnston Realty real estate appraisal referred to in Plaintiff's Petition and will need to review that prior to the hearing. Said appraisal has been promised by Plaintiff's counsel but not yet received by defendants.

5. Defendants believe their witnesses will be available and their own appraisal can be completed within 30 days from the entry into the subject premises or the receipt of the Plaintiff's Johnston Realty appraisal, whichever shall last occur.

6. A continuance in this matter will not prejudice nor harm Plaintiff as the property has already been sold to a third party and Plaintiff's rights have been protected by the filing of the petition to fix fair market value.

7. Counsel for Plaintiff has been contacted and has stated that he has no objection to the concept or granting of a continuance in this matter.

WHEREFORE, Respondents, **ANDREW G. BATCHO and LINDA L. BATCHO** respectfully request a continuance 60 days or more for the reasons as set out above.

Respectfully submitted,

August 29, 2008

Timothy E. Durant, Esquire
Supreme Court ~~ID~~ #21352
Counsel for the Respondents
201 North Second Street
Clearfield, PA 16830

CA

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

CLEARFIELD BANK AND TRUST
COMPANY
PETITIONER

NO. 2007-275-CD

v.

ANDREW BATCHO
ANDREW G. BATCHO and
LINDA L. BATCHO
RESPONDENT

CONTINUANCE AND RULE TO SHOW CAUSE

AND NOW, this 2nd day of September, 2008, upon consideration of Request for Continuance of the show Cause Hearing filed by Defendants, Andrew G. Batcho and Linda L. Batcho, the Hearing scheduled for September 5, 2008 at 11:00 o'clock AM in Courtroom No. 2 in this matter is continued to October 24 2008 at 1:30 o'clock P M in Courtroom No. 2. At which date and time Defendants shall show cause why the Petition to Fix Fair Market Value should not be granted.

Defendant shall cause copies of this Continuance and Rule to Show Cause to be served on Plaintiff forthwith.

BY THE COURT,

Paul E Cherry
J

FILED 3cc
014:00BL Atty Durant
SEP 02 2008
(6K)
William A. Shaw
Prothonotary/Clerk of Courts

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

CLEARFIELD BANK AND TRUST COMPANY, Plaintiff	:	NO. 07-275-CD
	:	Type of Case: Civil
v.	:	
	:	Type of Pleading: Response to New Matter
ANDRES BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO, Defendants	:	Filed on Behalf of: Plaintiff
	:	Counsel of Record for this Party:
	:	Alan F. Kirk, Esquire Attorney ID No. 36893 Babst, Calland, Clements and Zomnir, PC 330 Innovation Boulevard, Suite 302 State College, PA 16803 (814) 867-8055

FILED NO CC
m/11:09/BA
OCT 16 2007
William A. Shaw
Prothonotary/Clerk of Courts

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

CLEARFIELD BANK AND TRUST COMPANY, Plaintiff	:	No. 07-275-CD
v	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO, Defendants	:	

RESPONSE TO NEW MATTER

NOW COMES the Petitioner, Clearfield Bank and Trust Company, and files this Response to New Matter:

11. Petitioner incorporates by reference the averments contained in paragraphs 1 through 10 of its Complaint as if set forth at length.

12. Denied. On the contrary, the Petitioner was not the owner of the subject premises prior to the foreclosure sale by the Sheriff of Clearfield County and, as such, was without the legal capacity to do so.

13. Denied. While it is admitted that a demand letter was sent by the Petitioner to the Respondents on or about December 20, 2006, it is specifically denied that the Petitioner rejected an offer to purchase the premises for $275,000.00. The Petitioner is without knowledge, information or belief as to any such offer and strict proof of the same is demanded. It is admitted that in February, 2007 the Petitioner filed the foreclosure action against the Respondents and the subject premises.

14. Denied as stated. The Petitioner, by and through Lori Kurtz, did advise an interested party at Sheriff's Sale on February 1, 2008, that the Petitioner was prepared to bid up to $314,000.00, the approximate amount of the principal due on the mortgage on the subject premises. The balance of the averments contained in the paragraph regarding the value of the property is a legal conclusion to which no response is necessary. On the contrary, the value of the property was believed and, therefore, averred to be approximately $110,000.00 as shown on the appraisal of Johnston Realty dated February 5, 2008, inadvertently identified as $70,000.00 on the Petition to Fix Fair Market Value.

15. Denied as stated. At the Sheriff's Sale on February 1, 2008, the Petitioner did bid $100,000.00 plus costs to purchase the property as a result of competitive bidding. The averment that at least one other person at that sale believed the subject property to be worth at least that amount is a legal conclusion to which no response is necessary. On the contrary, at least one person at the sale admitted to Petitioner's agent, Lori Kurtz, that they would not bid more than $100,000.00 because the property was not worth that much.

16. Denied. Petitioner, by and through Lori Kurtz, did contact at least one individual, Tim Ryan, after the sale to inquire if he was interested in purchasing the property. Mr. Ryan advised that he would not be willing to purchase the property for more than the appraised value of $110,000.00.

17. Denied as stated. At the request of the management of the Petitioner, Lori Kurtz contacted Tim Ryan asking if he would be willing to pay more than the amount of the Sheriff's Sale price of $100,000.00 for the subject premises. Mr. Ryan said he would not be willing to go higher than the amount of the appraised value and further asked Lori Kurtz , who within the bank made the decision regarding the sale of property, to which she replied that the same was a

management decision and not her decision. The averment regarding the sale of the subject premises to Hyman Properties is denied as stated. Based upon the appraisal of Johnston Realty dated February 5, 2008, the premises appraised for $110,000.00. Hyman Properties offered the Petitioner $100,000.00 for the purchase of the subject premises, as well as 10 North Second Street, Clearfield, Pennsylvania. Petitioner had received estimates for repairs, for among other things, the roof of the subject premises, for between $11,000.00 and $19,000.00. The Hyman Properties' offer was for a purchase of the subject premises "as is." Therefore, the offer by Hyman Properties was accepted. For accounting purposes, 10 North Second Street was valued at $30,000.00 while 110 East Market Street was valued at $70,000.00.

18. Denied as stated. The Petitioner incorporates by reference the responses to the prior paragraphs as if set forth at length since the same are responsive to the averment contained herein.

19. The averments contained in this paragraph are legal conclusions to which no response is necessary. To the extent a response is necessary, the averments are specifically denied. At all times relevant hereto, the Petitioner has operated in a commercially reasonable manner. Based upon the appraisal of Johnston Realty dated February 5, 2008, the premises appraised for $110,000.00. Hyman Properties offered the Petitioner $100,000.00 for the purchase of the subject premises, as well as 10 North Second Street, Clearfield, Pennsylvania. Petitioner had received estimates for repairs, for among other things, the roof of the subject premises, for between $11,000.00 and $19,000.00. The Hyman Properties' offer was for a purchase of the subject premises "as is." Therefore, the offer by Hyman Properties was accepted. For accounting purposes, 10 North Second Street was valued at $30,000.00 while 110 East Market Street was valued at $70,000.00.

20. The averments contained in this paragraph are legal conclusions to which no response is necessary. To the extent a response is necessary, the averments are specifically denied for the reasons set forth in the responses to the prior paragraphs and those responses are incorporated herein by reference as if set forth at length.

21. The averments contained in this paragraph are legal conclusions to which no response is necessary. To the extent a response is necessary, the averments are specifically denied. The responses of the Petitioner to Respondent's New Matter contained in paragraphs 12 through 20 are incorporated herein by reference as if set forth at length. By way of further answer, the Petitioner maintains and, therefore, avers that the Respondent has not properly pleaded the necessary elements of the affirmative defense of estoppel with sufficient particularity so as to allow the Petitioner to respond. Therefore, strict proof of the averments contained in the paragraph are demanded.

22. The averments contained in this paragraph are legal conclusions to which no response is necessary. On the contrary and by way of further answer, the Petitioner incorporates by reference its responses to paragraphs 11 through 21 as if set forth at length. Strict proof of the averments contained in the paragraph is demanded.

23. The averments contained in this paragraph are legal conclusions to which no response is necessary. On the contrary and by way of further answer, the Petitioner incorporates by reference its responses to paragraphs 11 through 21 as if set forth at length. Strict proof of the averments contained in the paragraph is demanded.

24. The averments contained in this paragraph are legal conclusions to which no response is necessary. On the contrary and by way of further answer, the Petitioner incorporates

by reference its responses to paragraphs 11 through 21 as if set forth at length. Strict proof of the averments contained in the paragraph is demanded.

WHEREFORE, the Petitioner, Clearfield Bank and Trust Company, respectfully requests that the New Matter of the Respondent be dismissed and that judgment be entered in favor of the Petitioner as set forth in the Petition to Fix Fair Market Value and to grant any and other relief deemed appropriate.

Respectfully submitted,

BABST, CALLAND, CLEMENTS & ZOMNIR, PC

By: _____

Alan F. Kirk, Esquire
Attorney ID No. 36893
Attorney for Petitioner
330 Innovation Boulevard, Suite 302
State College, PA 16803
(814) 867-8055

VERIFICATION

I, Alan F. Kirk, Esquire, hereby depose and say, subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities, that the facts set forth in the foregoing Response to New Matter are true and correct to the best of my knowledge information and belief.

BABST, CALLAND, CLEMENTS AND ZOMNIR, PC.

By: _____
Alan F. Kirk, Esquire

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

CLEARFIELD BANK AND TRUST COMPANY, Plaintiff	:	No. 07-275-CD
v	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO, Defendants	:	

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the within Response to New Matter was served on the following by depositing the same within the custody of the United States Postal Service, first-class mail, postage prepared, addressed to:

Timothy E. Durant, Esquire
201 North Second Street
Clearfield, PA 16830

BABST, CALLAND, CLEMENTS &
ZOMNIR, PC

By: _____

Alan F. Kirk, Esquire
Attorney ID No. 36893
Attorney for Petitioner
330 Innovation Boulevard, Suite 302
State College, PA 16803
(814) 867-8055

Date: 10/10/08

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

CLEARFIELD BANK & TRUST COMPANY :

VS. : NO. 07-275-CD

ANDREW BATCHO, ANDREW G. BATCHO :

and LINDA L. BATCHO :

O R D E R

AND NOW, this 24th day of October, 2008, following hearing on the Petition to Set Fair Market Value, it is the ORDER of this Court that counsel provide the Court with proposed Findings of Fact, Conclusions of Law and proposal for fair market value within no more than twenty (20) days from today's date. Counsel may, if they choose, file a responsive brief within no more than ten (10) days thereafter.

BY THE COURT,

Judge

FILED
01:00 BK
OCT 30 2008
William A. Shaw
Prothonotary/Clerk of Courts

ICC Attys: Christopher Kirk Durant

ICC Andrew Batcho
110 E. Pauline Dr.
Clearfield, PA
16830

FILED

OCT 30 2008

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 10/30/08

____ You are responsible for serving all appropriate parties.

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

____ Plaintiff(s) __X__ Plaintiff(s) Attorney ____ Other

__X__ Defendant(s) A. Batcho __X__ Defendant(s) Attorney

____ Special Instructions:

FILED No CC
03:47 BOCBOTpd.
NOV 04 2008 $7.00
William A. Shaw
Prothonotary/Clerk of Courts

(Space Above Reserved For Recording)

RELEASE FROM JUDGMENT

From: ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO,

Judgment Dated/Recorded: 2/23/2007

Docket No.: 07-275-CD

To: CLEARFIELD BANK AND TRUST COMPANY

Prothonotary's Office of Clearfield County, PA

Debt: $366,768.54

KNOW ALL MEN BY THESE PRESENTS,

THAT WHEREAS, ***ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO,*** are indebted to Clearfield Bank and Trust Company, P.O. Box 171, 11 North Second Street, Pennsylvania 16830, ("Bank") its successors and assigns, in the amount aforesaid; and

THAT WHEREAS, the said ***ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO,*** has requested the said Bank to release the premises hereinafter

described, from any encumbrance or lien by operation of said indebtedness:

NOW, THEREFORE, be it known that the said Bank as well in consideration of the premises and of the sum of ***One and 00/100 ($1.00) Dollars***, lawful money to it in hand paid by the said ***ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO,*** at the time of the execution hereof, the receipt whereof is hereby acknowledged, has remised, released, quit-claimed, exonerated and discharged, and by these presents, does remise, release, quit-claim, exonerate and discharge unto the said ***ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO,*** and assigns,

SEE LEGAL DESCRIPTION ATTACHED AS EXHIBIT "A"

AND, the same, with the appurtenances, unto the said ***ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO,*** and assigns forever freed, exonerated and discharged of and from the lien of said Judgment, and every part thereof.

PROVIDED, ALWAYS, NEVERTHELESS, that nothing herein contained shall in anyway affect, alter or diminish the validity of the lien or encumbrance in any way, or the remedies at law for recovering thereout or against the said ***ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO,*** or assigns, the principal sum, with any applicable interest which may accrue.

LandAmerica Commonwealth

PROPERTY DESCRIPTION

The land referred to in this Commitment is described as follows:

ALL THOSE CERTAIN pieces or parcels of land situate in the First Ward of the Borough of Clearfield, Clearfield County, Pennsylvania, bounded and described as follows:

THE FIRST THEREOF: BEGINNING at the western side of the present frame building, formerly owned by George W. Snyder, on the north side of Market Street; thence west along said street 46.00 feet, more or less, to line of lot formerly of Samuel I. Snyder; thence north by same to line of lot formerly owned by Mary Agnes Shaw; thence east along same, 46.00 feet, more or less, to post corner of lot formerly owned by George W. Snyder; and thence south by same 90.00 feet to place of beginning.

THE SECOND THEREOF: BEGINNING at a point on the southern line of lot No. 24, 103.00 feet east from eastern boundary of Front Street; thence east along said line of lot No. 24, 97.00 feet to alley between Front and Second Street; thence south along said alley 90.00 feet to point on eastern line of Lot No. 26; thence west along division line between northern and southern halves of Lot No. 26, 97.00 feet to point; thence north by line parallel with said alley 90.00 feet to point in southern line of Lot No. 24 and place of beginning. Being the eastern part of Lot No. 25 and a part of the northern half of Lot No. 26 in the plan of the Borough of Clearfield.

THE THIRD THEREOF: BEING situate on the north side of Market Street beginning at the corner of an alley and Lot No. 27 on Market Street; thence along said alley northerly approximately 90.00 feet to line of lands formerly of Mary Agnes Shaw; thence westerly along the line of lands formerly of Mary Agnes Shaw a distance of approximately 54.00 feet to lands formerly of Soult Wholesale Company; thence along the lands formerly of Soult Wholesale Company southerly 90.00 feet approximately, to Market Street; thence easterly along Market Street 54.00 feet, more or less, to the place of beginning.

BEING THE SAME PREMISES which Chester A. Hawkins, High Sheriff of the County of Clearfield, by Deed dated March 3, 2008 and recorded April 47, 2008 in the Recorder of Deeds Office in and for Clearfield County, Pennsylvania, at Instrument # 200805196, granted and conveyed unto Clearfield Bank & Trust Company.

110 E. Market Street, Borough of Clearfield, County of Clearfield, Pennsylvania
PARCEL ID 4.1-K-8-216-37 & 4.1-K-8-216-37-89

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

CLEARFIELD BANK AND TRUST COMPANY PETITIONER :	:	No. 07-275-CD
v.	:	
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO	:	
RESPONDENTS	:	

FILED No CC
0/9:00 Lm
NOV 17 2008
William A. Shaw
Prothonotary/Clerk of Courts

AFFIDAVIT OF SERVICE

TIMOTHY E. DURANT, certifies that on November 17 , 2008 he did deposit in the United States mail a true and correct copy of the Proposed Findings of Fact and Conclusions of Law pertaining to the Petition to Fix Fair Market Value of Real Estate filed on behalf of Respondents, ANDREW G. BATCHO and LINDA L. BATCHO in the above captioned matter.

The said Order was sent to, Petitioner care of its counsel, ALAN F. KIRK, ESQUIRE BABST, CALLAND, CLEMENTS, AND ZOMNIR, PC, 330 Innovation Boulevard, Third Floor, State College, PA 16803.

Affiant understands that false statements herein are made subject to the penalties of 18 Pa. C.S. §4904 relating to unsworn falsification to authorities.

Timothy E. Durant

Dated: November 17, 2008

UA

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

CLEARFIELD BANK AND TRUST COMPANY Petitioner,	:	
vs.	:	NO. 2007-275-CD
ANDREW BATCHO ANDREW G. BATCHO and LINDA L. BATCHO Respondents	:	

ORDER

AND NOW, this 15th day of January, 2009 upon consideration of the Petitioner's and Respondents' Proposed Finding of Fact and Conclusions of Law, it is the ORDER of this Court that a Hearing be scheduled to establish the "*fair market value*" of the relevant property at the time of sale to Hyman Properties, on or about May 2, 2008. As set forth, a Hearing will be scheduled on the 4th day of February, 2009 at 9:00 o'clock AM in Courtroom No. 2.

During said Hearing, the Petitioner and Respondents will provide this Court with sufficient evidence to establish an informed decision as to the "*fair market value*" of the property. The parties may obtain expert testimony, however, such testimony will not be the exclusive method of determining the "*fair market value*".

BY THE COURT

Paul E. Cherry

PAUL E. CHERRY
Judge

FILED
01/4:00 BK
JAN 15 2009
William A. Shaw
Prothonotary/Clerk of Courts

ICC Attys: Christopher Kirk
Durant

ICC Andrew Batcho
110 East Pauline Dr.
Clearfield, PA 16830

610

FILED

JAN 15 2009

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 1/15/09

____ You are responsible for serving all appropriate parties.

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

____ Plaintiff(s) ____ Plaintiff(s) Attorney ____ Other
Andrew Batcho

__X__ Defendant(s) __X__ Defendant(s) Attorney

____ Special Instructions:

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

CLEARFIELD BANK AND TRUST COMPANY
PETITIONER

NO. 2007-275-CD

v.

ANDREW BATCHO
ANDREW G. BATCHO and
LINDA L. BATCHO
RESPONDENT

Type of Case: Petition To Fix Fair Market Value of Real Estate

Type of Pleading: Request for Continuance

Filed On Behalf Of: Defendants Andrew G. Batcho and Linda L. Batcho, husband & wife

Counsel of Record For This Party:

TIMOTHY E. DURANT, ESQUIRE
Supreme Court I.D. #21352
201 North Second Street
Clearfield, PA 16830
814-765-1711

Opposing Counsel:

ALAN F KIRK, ESQUIRE
I D#36893
BABST, CALLAND, CLEMENTS, AND ZOMNIR, PC
330 Innovation Boulevard
Third Floor
State College, PA 16803
Phone 814-867-8055
Fax 814-867-8051
Email: akirk@bccz.com

FILED 3cc
02:57/bl Atty Durant
FEB 03 2009
William A. Shaw
Prothonotary/Clerk of Courts

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

CLEARFIELD BANK AND TRUST
COMPANY
PETITIONER

NO. 2007-275-CD

v.

ANDREW BATCHO
ANDREW G. BATCHO and
LINDA L. BATCHO
RESPONDENT

CONTINUANCE AND RULE TO SHOW CAUSE

AND NOW, this 3rd day of February 2009, upon consideration of Request for Continuance of the show Cause Hearing filed by Defendants, Andrew G. Batcho and Linda L. Batcho, the Hearing scheduled for February 4, 2009 at 9:00 o'clock AM in Courtroom No. 2 in this matter is continued to April 9 2009 at 9:00 o'clock A M in Courtroom No. 2. At which date and time Defendants shall show cause why the Petition to Fix Fair Market Value should not be granted.

Defendant shall cause copies of this Continuance and Rule to Show Cause to be served on Plaintiff forthwith.

FILED 3CC
012:58/BA Atty Durant
FEB 03 2009
William A. Shaw
Prothonotary/Clerk of Courts

BY THE COURT,

Paul E Cherry
J.

IN THE COURT OF COMMON PLEAS

OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

CLEARFIELD BANK AND TRUST	}	
COMPANY	}	NO. 07-275-CD
VS	}	
ANDREW BATCHO, ANDREW G.	}	
BATCHO AND LINDA L.	}	
BATCHO	}	

O R D E R

NOW, this 9th day of April, 2009, following taking of testimony on Hearing to Establish Fair Market Value, it is the ORDER of this Court that counsel may provide the Court with supplemental findings of fact and/or conclusions of law by no later than Friday, April 17, 2009.

BY THE COURT,

Paul E Cherry

Judge

FILED
0/3:15cm
APR 09 2009
William A. Shaw
Prothonotary/Clerk of Courts

1CC Attys: (6)
C. Christopher

1CC Attys:
A. Kirk
Durant

1cc deft. A. Batcho
110 E. Pauline Drive
Clearfield PA 16830

DATE: 4.9.2003

____ You are responsible for serving all appropriate parties.

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

____ Plaintiff(s) __X__ Plaintiff(s) Attorney ____ Other

__X__ Defendant(s) __X__ Defendant(s) Attorney

____ Special Instructions:
H Fisher

FILED

APR 09 2003

William A. Shaw
Prothonotary/Clerk of Courts

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

CLEARFIELD BANK AND TRUST COMPANY, Petitioner	:	
vs.	:	No.07-275-CD
ANDREW BATCHO, ANDREW G. BATCHO and LINDA L. BATCHO Respondents	:	

DETERMINATION OF FAIR MARKET VALUE

On February 23, 2007, Clearfield Bank and Trust Company (hereinafter, "Petitioner") initiated a complaint in mortgage foreclosure against Andrew Batcho, Andrew G. Batcho, and Linda L. Batcho (collectively hereinafter, "Respondents"). On or about October 22, 2007 and October 29, 2007, judgments were entered in favor of the Petitioner against all Respondents in the total amount of Three Hundred and Fifty-Six Thousand, Two Hundred and Sixty-Three Dollars, and Ninety-Seven Cents ($356, 263.97). On about February 1, 2008, the property located at 110 East Market Street, Clearfield, PA. was sold at a Sheriff's Sale to effectuate the judgment. At the Sheriff's Sale, the judgment creditor, Petitioner, bought the property for One Hundred Thousand Dollars ($100,000.00). Now, Petitioner petitions this Court to fix the fair market value of the relevant property at One Hundred and Ten Thousand Dollars ($110,000.00).

FILED
0/4:00BA
JUN 09 2009
William A. Shaw
Prothonotary/Clerk of Courts

2CC Atty Durant
Christopher
1CC Atty Kirk
1CC Andrew Batcho
110 East Pauline Drive
Clearfield, PA 16830

"Whenever any real property is sold, directly or indirectly, to the judgment creditor in execution proceedings and the price for which such property has been sold is not sufficient to satisfy the amount of the judgment, interest and costs and the judgment creditor seeks to collect the balance due on said judgment, interest and costs, the judgment creditor shall petition the court to fix the fair market value of the real property sold. The petition shall be filed as a supplementary proceeding in the matter in which the judgment was entered. If the judgment was transferred from the county in which it was entered to the county where the execution sale was held, the judgment shall be deemed entered in the county in which the sale took place." 42 Pa.C.S.A. § 8103.

"A mortgage in Pennsylvania may be foreclosed either by a writ of scire facias sur mortgage or by entering a judgment on the bond. Under the first method, judgment in rem is entered on the scire facias and the property is sold in execution. Under the second method, judgment in personam is entered on the bond (which is usually accompanied by warrant to confess judgment), and the property is sold in execution of this judgment. If the proceeds of the sale of the property under either method are insufficient to satisfy the mortgage, before proceeding further the fair market value of the property, in the absence of agreement, must be determined by the court and the debtor released and discharged of liability to the extent of the fair market value less certain deductions authorized by statute; the balance remaining may then be collected in appropriate proceedings." *Pennsylvania Co. for Insurances on Lives and Granting Annuities v. Watt*, 151 F.2d 697, 698 (5th Cir., 1945).

On October 24, 2008 and April 9, 2009, this Court held hearings to fix the fair market value of the relevant property. Each party presented expert testimony regarding the fair market value of the property. The Petitioner's expert, Richard J. Johnston, (hereinafter,

"Johnston"), appraised the property at One Hundred and Ten Thousand Dollars ($110,000.00). The Respondent's expert, Richard Provost, (hereinafter, "Provost") appraised the relevant property at Two Hundred and Seventy Two Thousand Dollars ($272,000.00). Although an expert witness is not necessary in determining the fair market value of a parcel of property, each party's determined fair market values are significantly derived from their experts' appraisals. Hence, it was necessary for this Court to evaluate the expert witnesses' testimonies and reports.

"In arriving at a fair market value, courts should consider recent sales of realty of comparable location and description, uses to which the realty is adapted and might reasonably be applied, demand for the realty, and income produced by it, and all elements which might affect its actual value." *Confederation Life Ins. Co. v. Morrisville Properties, L.P. and Site Development, Inc.*, 715 A.2d 1147, 1154 (Pa.Super.,1998), citing *Union National Bank of Pittsburgh vs. Crump*, 37 A2d. 733 (PA. 1944).

During the April 9, 2009, hearing expert witness Johnston testified that he used five comparable real estate in determining the fair market value of the relevant property. However, only two of the five real estate could reasonably be compared to the relevant property. The other three properties were in Saint Mary's (Elk County), Coalport (Clearfield County), and Madera (Clearfield County). Saint Mary's is a more prosperous area, located in another county one-third the size of Clearfield County. The relevant property is located on a prominent street in the middle of downtown Clearfield Borough, the county-seat of Clearfield County, which possesses several major commercial businesses, offices, storefronts and county governmental agencies, and is within five miles of Interstate 80. Coalport and Madera are located in remote areas with significantly small populations; this is unlike the area of the

relevant downtown property. Furthermore, Johnston failed to personally inspect and/or visit all real properties he utilized as comparables in his appraisal report.

Of the remaining properties Johnston utilized as comparables, two where located in Clearfield Borough. The first comparable is located on East Market Street, two blocks from the relevant property. However, the comparable property's lot size was 3, 060+/- square feet ("sq. ft.") or .07 acre, which is significantly smaller than the relevant property lot size of 27, 720+/- sq. ft. or .64 acre. According to Johnston, the East Market Street comparable sold for $85, 000.00 in the year 2007. Johnston appraised the relevant property at $110, 000.00, yet it is nine times the lot size of the East Market Street property that sold for $85,000.00, a year earlier.

The second property was also located in the immediate area of downtown Clearfield Borough. Again, the comparable property is located on North Second Street is significantly smaller. The comparable property' slot size is 8,233+/- sq. ft. Or 0.19 acre. The Comparable property is one-third the size of the relevant property. According to Johnston, this comparable property sold for $150,000.00 in the year 2005 and $76,000.00 on July 20, 2006 between relatives (this transaction is not considered to be at arms-length).

Furthermore, Johnston was inconsistent in describing the relevant property as in *fair* or *poor* condition, throughout his testimony and appraisal report. Johnston claimed that the relevant property was in violation of building codes. However, Johnston has no experience being a code enforcement officer and when questioned on cross-examination about which codes the building was in violation of, he could not articulate or identify any specific code violation that existed with the building. Additionally, Johnston did not inspect all the rental units in the relevant property. Hence, he crafted a report without observing the entire

structure. Overall, this Court found Johnston's appraisal of the relevant property's *fair market value* $110, 000.000 to be unreliable.

The Respondent's expert witness, Provost, also testified and provided a report of the *fair market value* of the relevant property. Provost utilized the direct sales comparison approach, wherein he compared the relevant property to about ten different properties that were all located in downtown Clearfield Borough, which were in immediate vicinity of the relevant property. In utilizing the direct comparison approach, Provost determined the per square feet value of each building based on the buildings' purchase price, location and condition.

Six of the properties compared were vacant and/or demolished lots, located within three blocks of the relevant property. Based upon resent sales, the land values of the six vacant and/or demolished lot properties were: $8.33, $10.39, $10.72, $11.84, $15.76, and $32.86, per square feet.

The remaining four properties compared by Provost had commercial structures and were also within the immediate areas of downtown Clearfield Borough, similar to the relevant property. The four properties with commercial structures yield square feet values ranging from $8.47, $15.42, $25.52, and $28.97. Provost determined that the relevant property was worth $272, 000.00, after adjusting the square feet value of each comparable property, which involved consideration of the properties' condition, usability, and exact location downtown.

Hence, with the $110,000.00 value determined by Petitioner's expert, the vacant lot value of the relevant property at approximately 17,730 +/- sq. ft. is $6.02(rounded) per square feet. Also, at the estimated 23,524 per square feet for the relevant property's two-story brick building, the Petitioner's expert's $110,000.00 appraisal would yield $4.68(rounded) per

square feet. The Petitioner's estimate of $110,000.00 seems rather disingenuous and unreasonable upon consideration of Provost's ten comparables, which were all within the immediate area of downtown Clearfield Borough.

Furthermore, during the April 9, 2009, hearing, testimony was presented that indicate Clearfield Bank and Trust issued a loan in the approximate amount of $300,000.00 to Hyman Properties, purchasers of the relevant property, using the relevant property as collateral. It seems dubious that a Bank would utilize a property it estimates to be $110,000.00 as collateral in the approximate amount of $300,000.00.

Also, Provost testified that the building was in fair condition and had no code violation issues. This Court found Provost's appraisal approach was more analytical and reliable. Collectively, all the elements that affect the *fair market value* of the relevant property denote a more significant amount than the $110,000.00 suggested by the Petitioner.

ORDER

AND NOW, this 9th day of June 2009, upon extensive review of the record, it is the ORDER of this Court that the property located at 110 East Market Street, Clearfield, Pennsylvania 16830, shall hereby be and is fixed at the *fair market value* of Two Hundred and Seventy-Two Thousand Dollars ($272,000.00).

BY THE COURT,



PAUL E. CHERRY
Judge

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff vs. ANDREW G. BATCHO and LINDA L. BATCHO, husband and wife, and ANDREW BATCHO, Defendants	NO. 2007-275-CD PRAECIPE TO WITHDRAW/ENTER APPEARANCE

STOVER, McGLAUGHLIN, GERACE,
WEYANDT & McCORMICK, P.C.

Ronald S. McGlaughlin, Esquire
Attorney for Plaintiff
919 University Drive
State College, PA 16801
(814) 231-1850
(814) 231-1860 fax
Attorney I.D.No. 41531

FILED NO CC
11:54 BY
MAR 26 2010
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
ANDREW G. BATCHO and **LINDA L. BATCHO,** husband and wife, and **ANDREW G. BATCHO,** Defendants	)	

PRAECIPE TO WITHDRAW APPEARANCE

TO THE PROTHONOTARY:

Kindly withdraw my appearance on behalf of Clearfield Bank & Trust Company.

BABST, CALLAND, CLEMENTS, AND ZOMNIR, P.C.

BY: _____
ALAN F. KIRK, Esquire

PRAECIPE TO ENTER APPEARANCE

TO THE PROTHONOTARY:

Kindly enter my appearance on behalf of Clearfield Bank & Trust Company.

STOVER, McGLAUGLIN, GERACE, WEYANDT & McCORMICK, P.C.

BY: _____
RONALD S. McGLAUGHLIN, Esquire

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
ANDREW G. BATCHO and **LINDA L. BATCHO,** husband and wife, and **ANDREW BATCHO,** Defendants	)	

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the within Praecipe to Withdraw/Enter Appearance was hereby served by depositing same within the custody of the United States Postal Service, First Class, postage prepaid, addressed to the following:

Timothy E. Durant, Esquire
201 North Second Street
Clearfield, PA 16830

STOVER, McGLAUGHLIN, GERACE,
WEYANDT & McCORMICK, P.C.

By: _____
Ronald S. McGlaughlin, Esquire
Attorney for Defendant
919 University Drive
State College, PA 16801
(814) 231-1850
Attorney I. D. No. 41531

Date: 3/25, 2010

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff vs. ANDREW G. BATCHO and LINDA L. BATCHO, husband and wife, and ANDREW BATCHO, Defendants	NO. 2007-275-CD STATEMENT OF DEFICIENCY JUDGMENT STOVER, McGLAUGHLIN, GERACE, WEYANDT & McCORMICK, P.C. Ronald S. McGlaughlin, Esquire Attorney for Plaintiff 919 University Drive State College, PA 16801 (814) 231-1850 (814) 231-1860 fax Attorney I.D.No. 41531

FILED NOCC
MAR 26 2010
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
ANDREW G. BATCHO and **LINDA L. BATCHO,** husband and wife, and **ANDREW BATCHO,** Defendants	)	

STATEMENT OF DEFICIENCY JUDGMENT

AND NOW comes Ronald S. McGlaughlin, Esquire, of Stover, McGlaughlin, Gerace, Weyandt & McCormick, P.C., attorney for Plaintiff, who sets forth the amount of the remaining judgment due and owing to Plaintiff as follows:

The amount of judgment per underlying action	$356,263.97
Fair Market Value determined by Court less cost of Sheriff sale as attached hereto as Exhibit "A" and incorporated herein by this reference, pursuant to 42 Pa.C.S.A.§8103(c)(5)	- ($250,152.04)
Amount owing to Plaintiff	$ 96,111.93
Statutory Interest from June 9, 2009 to March 19, 2010	$ 4,494.44
Total	$100,606.37

STOVER, McGLAUGHLIN, GERACE,
WEYANDT & McCORMICK, P.C.

By: _____

Ronald S. McGlaughlin, Esquire
Attorney for Plaintiff
919 University Drive
State College, PA 16801
(814) 231-1850
(814) 231-1860 fax
Attorney I. D. No. 41531

SHERIFF OF CLEARFIELD COUNTY

1 N. SECOND STREET SUITE 116
CLEARFIELD, PA 16830

February 11, 2008

MCGRATH & ASSOCIATES, P.C.
401 LIBERTY AVE., STE. 1375
PITTSBURGH, PA. 15222

( ) SERVICE WILL BE MADE UPON RECEIPT OF COSTS

(X X) RETURN WILL BE FILED UPON RECEIPT OF PAYMENT

CLEARFIELD BANK & TRUST COMPANY

NO 07-275-CD

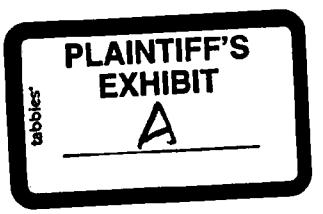
VS

ANDREW BATCHO, ANDREW G. BATCHO AND LINDA L. BATCHO

BID	
SHERIFF OF CLEARFIELD COUNTY	2,205.92
ADVERTISING	433.06
TAXES - COLLECT	
TAXES - TAX CLAIM	17,739.41
LIEN SEARCH	100.00
ACKNOWLEDGEMENT	5.00
DEED COSTS	28.50
LEGAL JOURNAL COSTS	180.00
PROTHONOTARY	185.00
MORTGAGE SEARCH	40.00
MUNICIPAL LIEN	931.07

B.Hain: 20-1-11430

TOTAL COSTS	**$21,847.96**
LESS ADVANCE	2,440.00
AMOUNT DUE	**$19,407.96**
PROTHONOTARY CREDIT	$185.00
Final Buyer Balance	**$19,222.96**



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
ANDREW G. BATCHO and **LINDA L. BATCHO,** husband and wife, and **ANDREW BATCHO,** Defendants	)	

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the within Statement of Deficiency Judgment was hereby served by depositing same within the custody of the United States Postal Service, First Class, postage prepaid, addressed to the following:

Timothy E. Durant, Esquire
201 North Second Street
Clearfield, PA 16830

STOVER, McGLAUGHLIN, GERACE, WEYANDT & McCORMICK, P.C.

By: _____
Ronald S. McGlaughlin, Esquire
Attorney for Plaintiff
919 University Drive
State College, PA 16801
(814) 231-1850
Attorney I. D. No. 41531

Date: 3/25, 2010

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff vs. ANDREW G. BATCHO and LINDA L. BATCHO, husband and wife, and ANDREW BATCHO, Defendants	NO. 2007-275-CD PRAECIPE FOR WRIT OF EXECUTION

STOVER, McGLAUGHLIN, GERACE,
WEYANDT & McCORMICK, P.C.

Ronald S. McGlaughlin, Esquire
Attorney for Plaintiff
919 University Drive
State College, PA 16801
(814) 231-1850
(814) 231-1860 fax
Attorney I.D.No. 41531

FILED Atty pd.
m/12:02 BCC
MAR 26 2010 20.00
William A. Shaw
Prothonotary/Clerk of Courts
5 ICC & 6 cnts to Sheriff
GK

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
ANDREW G. BATCHO and **LINDA L. BATCHO,** husband and wife, and **ANDREW BATCHO,** Defendants	)	

PRAECIPE FOR WRIT OF EXECUTION

TO THE PROTHONOTARY:

Kindly issue Writ of Execution in the above matter:

1. directed to the Sheriff of Clearfield County;
2. against Andrew G. Batcho and Linda L. Batcho, Defendants; and
3. enter this Writ in the Judgment Index;

   (a) against Andrew G. Batcho and Linda L. Batcho, Defendants, and direct the Sheriff to levy on all personal property of Defendants at 115 E. Market Street, Clearfield, Pennsylvania (a business known as Batcho Office Systems), including, but not limited to, equipment, inventory, machinery and other tangible assets.

4.

Amount due:	$ 96,111.93
Statutory Interest from June 9, 2009 to March 19, 2010	$ 4,494.44
Total	$100,606.37
With continuing interest and costs to be added by Prothonotary	

Prothonotary costs 212.00

STOVER, McGLAUGHLIN, GERACE,
WEYANDT & McCORMICK, P.C.

By: _____
Ronald S. McGlaughlin, Esquire
Attorney for Plaintiff
919 University Drive
State College, PA 16801
(814) 231-1850
(814) 231-1860 fax
Attorney I.D.No. 41531

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
	)	
ANDREW G. BATCHO and **LINDA L. BATCHO,** husband and wife, and **ANDREW BATCHO,** Defendants	)	

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the within Praecipe for Writ of Execution was hereby served by depositing same within the custody of the United States Postal Service, First Class, postage prepaid, addressed to the following:

Timothy E. Durant, Esquire
201 North Second Street
Clearfield, PA 16830

STOVER, McGLAUGHLIN, GERACE,
WEYANDT & McCORMICK, P.C.

By: _____
Ronald S. McGlaughlin, Esquire
Attorney for Plaintiff
919 University Drive
State College, PA 16801
(814) 231-1850
(814) 231-1860
Attorney I. D. No. 41531

Date: 3/25, 2010

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff vs. ANDREW G. BATCHO and LINDA L. BATCHO, husband and wife, and ANDREW BATCHO, Defendants	NO. 2007-275-CD WRIT OF EXECUTION STOVER, McGLAUGHLIN, GERACE, WEYANDT & McCORMICK, P.C. Ronald S. McGlaughlin, Esquire Attorney for Plaintiff 919 University Drive State College, PA 16801 (814) 231-1850 (814) 231-1860 fax Attorney I.D.No. 41531

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO.,	)	
Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
	)	
ANDREW G. BATCHO and	)	
LINDA L. BATCHO, husband and wife, and	)	
ANDREW BATCHO,	)	
Defendants	)	

WRIT OF EXECUTION NOTICE

This paper is a Writ of Execution. It has been issued because there is a judgment against you. It may cause your property to be held or taken. L lawyer can advise you more specifically of these rights. If you wish to exercise your rights, you must act promptly.

The laws provide that certain property cannot be taken. Such property is said to be exempt. There is a debtor's exemption of $300.00. There are other exemptions which may be applicable to you. Within is a summary of some of the major exemptions. You may have other exemptions or rights.

If you have an exemption, you should do the following promptly: 1.) Fill out the attached claim form and demand for a prompt hearing. 2.) Deliver the form or mail it to the Sheriff's office at the address noted.

You should come to court ready to explain and present evidence to support your claim of exemption. If you do not come to court and prove your exemption, you may lose some of your property.

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.

Clearfield County Court Administrator's Office
Clearfield County Courthouse
230 E. Market Street
Clearfield, PA 16830
(814) 765-2641, Ext. 5982

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
ANDREW G. BATCHO and **LINDA L. BATCHO,** husband and wife, and **ANDREW BATCHO,** Defendants	)	

WRIT OF EXECUTION

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF CLEARFIELD

TO THE SHERIFF OF CLEARFIELD COUNTY, PENNSYLVANIA:

To satisfy the judgment, interest and costs against **ANDREW BATCHO, LINDA L. BATCHO** and **ANDREW G. BATCHO**, Defendants:

(1) You are directed to levy upon the property of the defendants and to sell the Defendants' interest therein as follows: **ALL PERSONAL PROPERTY OF THE DEFENDANTS, INCLUDING BUT NOT LIMITED TO, INVENTORY, EQUIPMENT, MACHINERY OR OTHER TANGIBLE ASSETS LOCATED AT 115 E. MARKET STREET, CLEARFIELD, PENNSYLVANIA, A BUSINESS BEING LOCATED THEREIN KNOWN AS BATCHO OFFICE SYSTEMS;**

(2) You are also directed to attach the property of the defendants not levied upon in the possession of No. N/A (name of Garnishee), as Garnishee as more specifically described as follows: N/A, and to notify the Garnishee that:

(a) an attachment has been issued;

(b) except as provided in Paragraph (c), the Garnishee is enjoined from paying any debt to or for the account of the defendants and from delivering any property of the defendants or otherwise disposing thereof;

(c) the attachment shall not include any funds in an account of the defendants with a bank or other financial institution:

(i) in which funds are deposited electronically on a recurring basis and are identified as being funds that upon deposit are exempt from execution, a levy or attachment under Pennsylvania or federal law, or

(ii) that total $300.00 or less. If multiple accounts are attached, the total of $300.00 in all accounts shall not be subject to a levy and attachment as determined by the executing officer. The funds shall be set aside pursuant to the defendants' general exemption provided in 42 Pa. C.S.§8123.

(3) You are also directed to attach the property of the defendants not levied upon and subject to attachment if the property is found in the possession of anyone other than a named garnishee, you are directed to notify such other person that he or she has been added as a garnishee and is enjoined as above stated.

Amount due:	$ 96,111.93
Interest from June 9, 2009 at the statutory rate of 6%	4,494.44
Total	$100,606.37

With continuing interest at the statutory rate and costs to be added

PROTHONOTARY

Prothonotary costs $212.00

By: [signature] 3/26/10
Deputy Prothonotary

MAJOR EXEMPTIONS UNDER PENNSYLVANIA AND FEDERAL LAW:

1. $300.00 statutory exemption
2. Bibles, school books, sewing machines, uniforms and equipment
3. Most wages and unemployment compensation
4. Social Security benefits
5. Certain retirement funds and accounts
6. Certain veteran and armed forces benefits
7. Certain insurance proceeds
8. Such other exemptions as may be provided by law.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
ANDREW G. BATCHO and **LINDA L. BATCHO,** husband and wife, and **ANDREW BATCHO,** Defendants	)	

CLAIM FOR EXEMPTION

To the Sheriff:

I, the within-named Defendant, claim exemption of property from levy or attachment:

1. From my personal property in my possession which has been levied upon,
   a.) I desire that my $300.00 statutory exemption be
      I. Set aside in kind (specify property to be set aside in kind):

      II. Paid in cash following the sale of property levied upon; or

   b.) I claim the following exemption (specify property and basis of exemption):

2. From my property which is in the possession of a third party, I claim the exemptions:
   a.) My $300.00 statutory exemption _____ in cash or _____ in kind (specific property):

   b.) Other (specify amount and basis of exemption):

I request a prompt hearing to determine that exemption. Notice of the hearing should be given to me at:

_____

Address Telephone Number

I verify that the statements made in this Claim for Exemption are true and correct. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S.§4904 relating to unsworn falsifications to authorities.

_____ _____

Date Defendant

This Claim to be filed with the Office of the Sheriff of Clearfield County, 230 E. Market Street, Clearfield, Pennsylvania

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 21149
NO: 07-275-CD

PLAINTIFF: CLEARFIELD BANK & TRUST CO.
vs.
DEFENDANT: ANDREW G. BATCHO AND LINDA L. BATCHO, HUSBAND AND WIFE, AND ANDREW BATCHO

Execution PERSONAL PROPERTY

SHERIFF RETURN

DATE RECEIVED WRIT: 3/26/2010

LEVY TAKEN @

POSTED @

SALE HELD

SOLD TO

SOLD FOR AMOUNT PLUS COSTS

WRIT RETURNED 10/13/2017

FILED
0/12:33pm/AR
OCT 13 2017
nocc

BRIAN K. SPENCER
PROTHONOTARY & CLERK OF COURTS

DETAILS

@ SERVED ANDREW G. BATCHO
NOT SERVED DEFENDANT FILED BANKRUPTCY.

@ SERVED LINDA L. BATCHO
NOT SERVED DEFENDANT FILED BANKRUPTCY.

@ SERVED ANDREW BATCHO
NOT SERVED DFEDNANT FILED BANKRUPTCY.

@ SERVED
NOW, OCTOBER 13, 2017 RETURN WRIT AS TIME EXPIRED.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 21149
NO: 07-275-CD

PLAINTIFF: CLEARFIELD BANK & TRUST CO.
vs.
DEFENDANT: ANDREW G. BATCHO AND LINDA L. BATCHO, HUSBAND AND WIFE, AND ANDREW BATCHO

Execution PERSONAL PROPERTY

SHERIFF RETURN

Sheriff Thurston	$49.76		
SURCHARGE	$60.00	PAID BY	ATTORNEY

So Answers,

Wesley B Thurston
Sheriff

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff vs. ANDREW G. BATCHO and LINDA L. BATCHO, husband and wife, and ANDREW BATCHO, Defendants	NO. 2007-275-CD WRIT OF EXECUTION

STOVER, McGLAUGHLIN, GERACE,
WEYANDT & McCORMICK, P.C.

Ronald S. McGlaughlin, Esquire
Attorney for Plaintiff
919 University Drive
State College, PA 16801
(814) 231-1850
(814) 231-1860 fax
Attorney I.D.No. 41531

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO.,	)	
Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
	)	
ANDREW G. BATCHO and	)	
LINDA L. BATCHO, husband and wife, and	)	
ANDREW BATCHO,	)	
Defendants	)	

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IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
ANDREW G. BATCHO and **LINDA L. BATCHO,** husband and wife, and **ANDREW BATCHO,** Defendants	)	

Received this writ this 26th day of March A.D. 2010
At 3:00 A.M./P.M.
Chester G. Hawkins
Sheriff by Cynthia Butler-Aughbaugh

WRIT OF EXECUTION

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF CLEARFIELD

TO THE SHERIFF OF CLEARFIELD COUNTY, PENNSYLVANIA:

To satisfy the judgment, interest and costs against **ANDREW BATCHO, LINDA L. BATCHO** and **ANDREW G. BATCHO**, Defendants:

(1) You are directed to levy upon the property of the defendants and to sell the Defendants' interest therein as follows: **ALL PERSONAL PROPERTY OF THE DEFENDANTS, INCLUDING BUT NOT LIMITED TO, INVENTORY, EQUIPMENT, MACHINERY OR OTHER TANGIBLE ASSETS LOCATED AT 115 E. MARKET STREET, CLEARFIELD, PENNSYLVANIA, A BUSINESS BEING LOCATED THEREIN KNOWN AS BATCHO OFFICE SYSTEMS;**

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By: 3/26/10
Deputy Prothonotary

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IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION – LAW

CLEARFIELD BANK & TRUST CO., Plaintiff	)	**NO. 2007-275-CD**
vs.	)	
	)	
ANDREW G. BATCHO and	)	
LINDA L. BATCHO, husband and wife, and	)	
ANDREW BATCHO,	)	
Defendants	)	

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To the Sheriff:

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I request a prompt hearing to determine that exemption. Notice of the hearing should be given to me at:

_____

Address Telephone Number

I verify that the statements made in this Claim for Exemption are true and correct. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S.§4904 relating to unsworn falsifications to authorities.

_____ _____

Date Defendant

This Claim to be filed with the Office of the Sheriff of Clearfield County, 230 E. Market Street, Clearfield, Pennsylvania

PERSONAL PROPERTY SALE
SCHEDULE OF DISTRIBUTION

NAME ANDREW G. BATCHO NO. 07-275-CD

NOW, October 13, 2017, by virtue of the Writ hereunto attached, after having given due and legal notice of time and place of sale by handbills posted on the premises setting forth the date, time and place of sale, I exposed the within described real estate of Andrew G. Batcho And Linda L. Batcho, Husband And Wife, And Andrew Batcho to public venue or outcry at which time and place I sold the same to he/she being the highest bidder, for the sum of and made the following appropriations, viz:

SHERIFF COSTS:

RDR	9.00
SERVICE	
MILEAGE	
LEVY	
MILEAGE	
POSTING	
COMMISSION	0.00
POSTAGE	1.76
HANDBILLS	10.00
DISTRIBUTION	
ADVERTISING	
ADD'L SERVICE	
ADD'L POSTING	
ADD'L MILEAGE	
ADD'L LEVY	
BID/ SETTLEMENT AMOUNT	
RETURNS/DEPUTIZE	9.00
COPIES	15.00
BILLING/PHONE/FAX	5.00
CONTINUED SALES	
MISCELLANEOUS	
TOTAL SHERIFF COSTS	**$49.76**

PLAINTIFF COSTS, DEBT AND INTEREST:

DEBT-AMOUNT DUE	96,111.93
INTEREST @ %	0.00
FROM TO	
PROTH SATISFACTION	
LATE CHARGES AND FEES	
COST OF SUIT-TO BE ADDED	
FORECLOSURE FEES	
ATTORNEY COMMISSION	
REFUND OF ADVANCE	
REFUND OF SURCHARGE	60.00
SATISFACTION FEE	
ESCROW DEFICIENCY	
PROPERTY INSPECTIONS	
INTEREST	4,494.44
MISCELLANEOUS	
TOTAL DEBT AND INTEREST	**$100,928.13**

COSTS:

ADVERTISING	0.00
TAXES - COLLECTOR	
TAXES - TAX CLAIM	
DUE	
LIEN SEARCH	
ACKNOWLEDGEMENT	
SHERIFF COSTS	49.76
LEGAL JOURNAL COSTS	0.00
PROTHONOTARY	212.00
MORTGAGE SEARCH	
MUNICIPAL LIEN	
TOTAL COSTS	**$261.76**
TOTAL COSTS	**$100,928.13**

COMMISSION 2% ON THE FIRST $ 100,000 AND 1/2% ON ALL OVER THAT. DISTRIBUTION WILL BE MADE IN ACCORDANCE WITH THE ABOVE SCHEDULE UNLESS EXCEPTIONS ARE FILED WITH THIS OFFICE **WITHIN TEN (10) DAYS FROM THIS DATE.**

WESLEY B. THURSTON, Sheriff