AGREEMENT FOR ALTERNATIVE NON-JUDICIAL VOLUNTARY FORECLOSURE

Agreement made this 14 day of May, 1990, between Farmers & Merchants Savings Bank, an Iowa Banking Corporation organized and existing under the laws of the State of Iowa, hereinafter referred to as Mortgagee and Corcoran's Clothing, Inc., a Corporation, organized and existing under the laws of the State of Iowa, hereinafter referred to as Mortgagor, and James J. Corcoran, hereinafter referred to as Guarantor, agree as follows:

1. That on the 4th day of September, 1984, Mortgagor made, executed and delivered to Mortgagee a Promissory Note and Mortgage in the principal sum of $42,000.00 as shown in the records of the office of the Delaware County Recorder, Book 18, T.L.M., Page 297 and filed of record on September 4, 1984.

2. That on the 21st day of December, 1987, Mortgagor and Mortgagee signed Agreement for Extension of Mortgage which is recorded in the office of the Delaware County Recorder in Book 22, T.L.M., Page 321, executed by Corcoran's Clothing, Inc., by Jim Corcoran, President, Mortgagor and by Farmers & Merchants Savings Bank, by Michael W. Dunn, President, Mortgagee, and filed of record in the office of the Delaware County Recorder on December 22, 1987; that said Agreement extended the due day of Mortgage recorded in the office of the Recorder of Delaware County, Iowa, in Book 18, of Mortgages on Page 297, to December 1, 1990.

3. That James J. Corcoran personally guaranteed the Promissory Note on behalf of Corcoran's Clothing, Inc.

4. That the parties wish to avail themselves of the Alternative Non-Judicial Voluntary Foreclosure roceeding as allowed by Iowa Code Section 654.18 et seq.

5. The Mortgagor, Corcoran's Clothing, Inc., shall convey to the Mortgagee, Farmers & Merchants Savings Bank, all interest in the following described real estate, which is subject to the Mortgage, to-wit:

For Abstract, See Book 18 Page 153 5/24/90

5/14/90 Page 16

FILE No. 13-2665
RECORDING FEE $ 25.00
TRANSFER FEE $

FILED FOR RECORD THE 14 DAY OF May, 1990 AT 1:09 O'CLOCK P. M. BOOK 2 PAGE 15

STATE OF IOWA, DELAWARE COUNTY
Joan Sheppard, Recorder
Misc.

Lot Three (3) of the Subdivision of Lots One Hundred Forty Six (146) and One Hundred Ninety Seven (197), Manchester, Iowa, according to plat recorded in Book H, T.L.D., Page 321

6. James J. Corcoran, personally, shall convey by Quit Claim Deed, all his interest, that he may have, in the real estate referred to herein.

7. The Mortgagee, Farmers & Merchants Savings Bank, shall and will accept the Mortgagor's conveyance and the conveyance by James J. Corcoran, personally, and waive any right to a deficiency or other claim against the Mortgagor and/or James J. Corcoran, arising from the Mortgage, Promissory Note, and personal guarantee.

8. The Mortgagee, Farmers & Merchants Savings Bank, shall have and is granted pursuant to this Agreement, immediate access to the real estate for the purposes of maintaining and protecting the property.

9. The Mortgagor, Mortgagee, and James J. Corcoran, shall and will file this Agreement as executed by them, with the Delaware County Recorder, said county being the county in which the real estate is located, stating that the Mortgagor, Mortgagee and James J. Corcoran have elected to follow the Alternative Voluntary Foreclsoure Procedures pursuant to Iowa Code Section 654.18.

10. The Mortgagee, Farmers & Merchants Savings Bank, shall send by certified mail, a notice of the election to all junior lien holders as of the date of the conveyance set forth herein, stating that the junior lien holders have thirty days from the date of mailing to exercise any rights of redemption. The notice will also be given in the manner prescribed by Section 656.3 by publication once each week for three consecutive weeks in the Manchester Press, said paper published in the county where the real estate is located, in which case the junior lien holders have thirty days from the third publication to exercise any right of redemption.

11. Attached hereto and identified as Exhibit "A" and incorporated herein by this reference, is copy of Disclosure and Notice of Cancellation;

Mortgagor acknowledges receipt of a completed form in duplicate, captioned "Disclosure and Notice of Cancellation" in ten point bold face type in the form required by Iowa Code Section 654.18 of the Iowa Code.

12. That the Mortgagee shall cause to be filed an Affidavit Re: Mailing of the Notice of Election of Alternative Non-Judicial Voluntary Foreclosure Procedure by Certified Mail to the junior lien holders on the real estate.

13. The Mortgagor shall file an Affidavit within six business days after the date of this Agreement, stating that it has not elected to cancel this transaction pursuant to the provisions of Section 654.18 of the Iowa Code.

IN WITNESS WHEREOF, the parties have executed this Agreement at Manchester, Iowa, on the 14 day of May, 1990.

CORCORAN'S CLOTHING, INC.

By James J. Corcoran
James J. Corcoran, President

NOTARIAL SEAL
DANIEL H. SWIFT
MY COMMISSION EXPIRES
August 1, 1990

FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

STATE OF IOWA, Delaware COUNTY, ss:

On this 14 day of May, A.D. 19 90, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared James J. Corcoran and xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx to me personally known, who, being by me duly sworn, did say that he is the President and xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx respectively of said corporation executing the within and foregoing instrument **to which this is attached,** that (no seal has been procured by the said) corporation; that said instrument was signed **(and sealed)** on behalf of (the seal affixed thereto is the seal of said)

said corporation by authority of its Board of Directors; and that the said President and xxxxxxxxxxxxxxxxxxxxxxxxxxxx as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by him voluntarily executed.

Daniel H. Swift
Notary Public in and for said County and State.

IOWA STATE BAR ASSOCIATION
Official Form No. 12 (Trade-Mark Registered, State of Iowa, 1967)
Current January, 1981

(Sections 558.38 and 558.39, Code of Iowa)

FARMERS & MERCHANTS SAVINGS BANK

By _____
Michael W. Dunn, President

By _____
Gerald T. Burke, Vice President

DANIEL H. SWIFT
MY COMMISSION EXPIRES
August 1, 1990

FOR THE LEGAL EFFECT OF THE USE OF THIS FORM, CONSULT YOUR LAWYER

STATE OF IOWA, Delaware COUNTY, ss:

On this 14 day of May, A.D. 1990, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Michael W. Dunn and Gerald T. Burke, to me personally known, who, being by me duly sworn, did say that they are the President and Vice President, respectively, of said corporation executing the within and foregoing instrument **to which this is attached,** that ~~(no seal has been procured by the said~~) corporation; that said instrument was signed **(and sealed)** on behalf of (the seal affixed thereto is the seal of said)

said corporation by authority of its Board of Directors; and that the said President and Vice President as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

_____, Notary Public in and for said County and State.

(Sections 558.28 and 558.29, Code of Iowa)

IOWA STATE BAR ASSOCIATION
Official Form No. 12 (Trade-Mark Registered, State of Iowa, 1967)
Current January, 1981

DANIEL H. SWIFT
MY COMMISSION EXPIRES
August 1, 1990

_____
James J. Corcoran

Subscribed and sworn to before me this 14 day of May, 1990.

_____
Notary Public in and for the State of Iowa.

DISCLOSURE AND NOTICE OF CANCELLATION

May 14, 1990

Under a forced foreclosure Iowa law requries that you have the right to reclaim your property within one year of the date of the foreclosure and that you may continue to occupy your property during that time. If you agree to a voluntary foreclosure under this procedure you will be giving up your right to reclaim or occupy your property.

Under a forced foreclsoure, if your mortgage lender does not receive enough money to cover what you owe when the property is sold, you will still be required to pay the difference. If your mortgage lender receives more money than you owe, the difference must be paid to you. If you agree to a voluntary foreclosure under this procedure you will not have to pay the amount of your debt not covered by the sale of your property but you also will not be paid any extra money, if any, over the amount you owe.

NOTE: There may be other advantages and disadvantages, including an effect on your income tax liability, to you depending on whether you agree or do not agree to a voluntary foreclosure. If you have any questions or doubts, you are advised to discuss them with your mortgage lender or an attorney.

You may cancel this transaction, without penalty or obligation, within five business days from the above date.

This transaction is entirely voluntary. You cannot be required to sign the attached foreclosure agreement.

This voluntary foreclosure agreement will become final unless you sign and deliver or mail this notice of cancellation to Farmers & Merchants Savings Bank, 101 East Main Street, Manchester, Iowa 52057, before midnight of the 21 day of May, 1990.

I HEREBY CANCEL THIS TRANSACTION.

DATE

JAMES J. CORCORAN