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DELAWARE COUNTY IOWA
FILED
98-3579
BOOK 8 PAGE 20
26.00

William D. Werger, 401 East Main Street, Manchester, (319) 927-5928

ALTERNATIVE NON-JUDICIAL VOLUNTARY FORECLOSURE AGREEMENT

This Agreement is made this 6th day of May, 1998, by and between Linda L. Bond, Grantor, and the United States of America, acting through the United States Department of Agriculture-Rural Development f/k/a Farmers Home Administration, hereinafter referred to as Grantee;

WHEREAS, Grantor executed on or about March 20, 1990, execute and deliver to Grantee, two separate Promissory Notes, the first being in the principal amount of $22,052.45 and the second being in the amount of $5,960.00, together with interest thereon at the rate of 8.75 % per annum. Said notes were secured by a Mortgage dated and filed March 20, 1990, in Book 25, T.L.M., Page 304 of the Delaware County records. Grantor further assumed a first Mortgage held by Farmers Home Administration dated March 4, 1982, and filed of record in Book 16, T.L.M., Page 153 of the Delaware County records which the Grantor assumed and agreed to pay. Said Mortgages cover certain real property in Delaware County, Iowa, more particularly described as follows:

> Lot Nine Hundred Eight (908), Manchester, Iowa, according to plat recorded in Book I L.D., Page 284.

WHEREAS, Grantor has defaulted in the payments due on said notes and mortgages and is currently substantially in arrears. Grantor hereby states that she is unable to meet the obligations of said note according to the terms set forth therein.

WHEREAS, Grantor and Grantee desire to foreclose the above described mortgages pursuant to the Iowa Alternative Non-Judicial Voluntary Foreclosure procedure, Iowa Code Section 654.18, Code Of Iowa (1997), and therefore execute this Agreement.

NOW, therefore, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. Grantor and Grantee hereby elect to follow the Alternative Non-Judicial Foreclosure procedure set forth in Iowa Code Section 654.18.

2. Grantor simultaneous with the execution of this Agreement, shall convey to Grantee all of his interest in the property described above, subject to the above described mortgage, by separate Warranty Deed pursuant to Iowa Code Section 654.18.

3. Grantee hereby accepts Grantors conveyance of the above described property as set out in the Warranty Deed dated the same day as this Agreement and waives its right to a deficiency judgment or other claim against the Grantor arising from the Mortgages.

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4. Grantor hereby represents and acknowledges that the above described real property is less than 10 acres in size, is not used for agricultural purposes and is a one-family dwelling.

5. Grantor hereby acknowledges receipt, in duplicate, of a completed Disclosure and Notice Of Cancellation form, a copy of which is attached hereto as Exhibit A.

6. Grantee shall have immediate access to the property upon execution of this Agreement for the purpose of maintaining and protecting the property.

7. Grantee shall hold title to the real estate subject to the liens of record until completion of foreclosure proceedings pursuant to Section 654.18, Code of Iowa (1997). However, the liens of the Grantee's mortgage shall remain prior to any liens junior to the mortgage at the time of conveyance and execution of this Agreement and may be foreclosed as otherwise provided by law until completion of this Alternative Non-Judicial Foreclosure procedure. Foreclosure proceedings shall be completed thirty (30) days from the date of mailing notice of election to foreclosure to junior lienholders. Grantee shall record proof of service upon expiration of the applicable period of redemption, at which time the above described mortgages will be foreclosed, pursuant to Iowa Code Section 654.18.

8. Grantor acknowledges that the above described deed is an absolute conveyance of Grantors interest in and to said real estate and constitutes a release of all liens and homestead rights in and to said real estate. The deed also conveys the Grantors right of possession, rentals and equity of redemption in and to said real estate.

9. Grantor further acknowledges that said deed is given voluntarily by the Grantor to the Grantee in good faith on the part of the Grantor without any fraud, misrepresentation, duress or undue influence whatsoever, or any misunderstanding on the part of Grantor, and is not given as a preference against any creditors of said Grantor. The conveyance of said deed shall be and is hereby intended and understood to be an absolute conveyance and an unconditional sale, with full extinguishment of Grantors equity of redemption, and with full release of all Grantors rights, title and interest of every character in and to said property except Grantors right to cancel this Agreement in accordance with the Disclosure and Notice Of Cancellation. Grantor understands that the giving of the above described deed may interfere with the obtaining of further insured mortgage loans.

10. Grantee shall not report to a credit bureau that the Grantor is delinquent upon the mortgage.

11. Grantor does hereby immediately assign to Grantee, all hazard insurance policies now in effect on the above described property and all escrow deposits for the payment of taxes, insurance and other loan purposes (if any) presently held by the Grantee, and Grantor further assigns to the Grantee, the right to receive payment of any claim payable under the terms of any said insurance policies including any premium refund now or hereinafter payable.

12. This Agreement and Assignment have been made for the protection and benefit of the Grantee in the aforesaid deed, if successors and assigns, and all other parties hereafter dealing with or who may acquire an interest in the property described therein, and shall bind the representatives, heirs, executors, administrators and assigns of the undersigned.

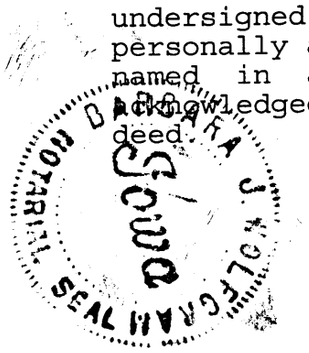
Grantor

Linda L. Bond

Linda L. Bond

STATE OF IOWA)
) ss:
DELAWARE COUNTY)

On this 6 day of May, 1998, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Linda L. Bond, to me known to be the person named in and who executed the foregoing instrument, and acknowledged that she executed the same as her voluntary act and deed.



Barbara J Wolfgram
Notary Public in and for
said State
BARBARA J.WOLFGRAM

Grantee
United States of America
acting through the United
States Department of
Agriculture-Rural
Development, f/k/a Farmers
Home Administration

By: Barbara A McLaughlin
Barbara A. McLaughlin
Community Development
Specialist

STATE OF IOWA)
) ss:
DELAWARE COUNTY)

On this 6th day of May, 1998, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Barbara A. McLaughlin, to me personally known, who being by me duly sworn, did say that she is the Community Development Specialist of the United States Department of Agriculture-Rural Development, executing the within and foregoing instrument **to which is attached,** that (no seal has been procured by the) corporation; that said instrument was signed by authority of its Secretary; and that Barbara A. McLaughlin as Community Development Specialist acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the United Stated Department of Agriculture-Rural Development, by it voluntarily executed.

Kristi Kay Burreson
Notary Public in and for
said State

NOTARIAL SEAL IOWA
KRISTI KAY BURRESON
MY COMMISSION EXPIRES
7-31-99

REALESTA\BOND.AGR

DISCLOSURE AND NOTICE OF CANCELLATION

_____, 1998

Under a forced foreclosure, Iowa law requires 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 foreclosure, 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 received more money that 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 Barbara A. McLaughlin, Community Development Specialist, United States of America acting through the United States Department of Agriculture-Rural Development, P.O. Box 429, West Union, Iowa 52175-1612 before midnight of _____.

I HEREBY CANCEL THIS TRANSACTION.

_____ _____

DATE SIGNATURE

Exhibit A