DELAWARE COUNTY IOWA
FILED
2003 FEB -3 AM 10: 30
BOOK 3 PAGE 496
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
RECORDER FEE $ 128.00
AUDITOR FEE $ 5.00
Entered for taxation 4th day of February AD 2003
Shawn McCulloh, Auditor
By Judy Zeh, Deputy
89-30

ENV. (X)

THIS INSTRUMENT PREPARED BY: WILLIAM S. VERNON
*Moyer & Bergman, PLC, 2720 1st Ave. NE, PO Box 1943, Cedar Rapids, IA 52406-1943, (319) 366-7331*
*Tax Statements should be sent to First State Bank, 300 East Main St., Manchester, IA 52057*

AFFIDAVIT OF COMPLIANCE WITH IOWA CODE CHAPTER 655A

STATE OF IOWA )
) ss:
COUNTY OF LINN )

I, William S. Vernon, being first duly sworn on oath, depose and state that I am an attorney with the law firm of Moyer & Bergman, P.L.C., 2720 1st Avenue N.E., Cedar Rapids, Iowa. On behalf of my client, First State Bank, 300 East Main Street, Manchester, Iowa, I caused to be served upon the following defendants a Notice of Nonjudicial Foreclosure of Non-Agricultural Mortgage Pursuant to Iowa Code Chapter 655A:

Unemployment Insurance Services Tax Bureau (Iowa Workforce Development)
Iowa Department of Revenue and Finance
AFD Fund (AmeriServe Food Distribution)
J.C. Hagelberg d/b/a J.C.'s Dairy Queen
Annette L. Hagelberg

A true and accurate copy of the Notice of Nonjudicial Foreclosure of Non-Agricultural Mortgage Pursuant to Iowa Code Chapter 655A ("Notice"), with all appropriate attachments, as served upon all the defendants, is attached hereto, marked Exhibit A and by this reference made a part hereof. A true and accurate copy of the Deed of Trust referenced in the Notice is also attached as A-1.

Attached hereto, marked Exhibit B and by this reference made a part hereof, is a true and accurate copy of the return of service of the Delaware County Sheriff's Department showing personal service upon J.C. Hagelberg d/b/a J.C.'s Dairy Queen and

substituted service upon Annette Hagelberg by serving J.C. Hagelberg. This service was completed on December 24, 2002.

Attached hereto and marked as Exhibit C, and by this reference made a part hereof, is a true and accurate copy of the Acceptance of Service of John Bernau, the Delaware County Attorney, on behalf of the Defendant Iowa Department of Revenue and Finance which was executed on December 6, 2002. The Notice was attached to this Acceptance of Service.

Attached hereto and marked as Exhibit D, and by this reference made a part hereof, is a true and accurate copy of the Acceptance of Service of John Bernau, the Delaware County Attorney, on behalf of the Defendant Unemployment Insurance Services Tax Bureau (Iowa Workforce Development) which was executed on December 6, 2002. The Notice was attached to this Acceptance of Service.

Attached hereto and marked as Exhibit E, and by this reference made a part hereof, is an Affidavit of Service of James E. Mazour, private process server in the city of Des Moines, Iowa, showing service upon Defendant AFD Fund (AmeriServe Food Distribution) by serving its registered agent, the Iowa Secretary of State, along with the Secretary of State's notification of receipt of the Notice.

Attached hereto and marked as Exhibit F, and by this reference made a part hereof, is an Affidavit of Mailing executed by me reflecting service upon the Defendant Iowa Department of Revenue and Finance by mailing to Thomas J. Miller, the Iowa Attorney General, by certified mail a copy of the Notice. Attached to the Affidavit is the receipt for certified mail showing the date of mailing December 6, 2002 and the return receipt showing receipt by the Attorney General of Iowa of the Notice on December 9, 2002.

Attached hereto and marked as Exhibit G and by this reference made a part hereof, is an Affidavit of Mailing executed by me reflecting service upon the Defendant Unemployment Insurance Services Tax Bureau (Iowa Workforce Development) by mailing to Thomas J. Miller, the Iowa Attorney General, by certified mail a copy of the Notice. Attached to the Affidavit is the receipt for certified mail showing the date of mailing, December 6, 2002, and the return receipt showing receipt by the Attorney General of Iowa of the Notice on December 9, 2002.

I affirmatively state pursuant to Iowa Code Section 655A.6 and 655A.7, the former mortgagors herein, J.C. Hagelberg d/b/a J.C.'s Dairy Queen and Annette Hagelberg, have not complied with the terms and provisions of these Iowa Code Sections and have not rejected the Notice of Nonjudicial Foreclosure of Non-Agricultural Mortgage pursuant to Iowa Code Chapter 655A as served upon them.

I further affirmatively state that more than thirty (30) days has passed since the service upon the various Defendants named herein, and that this Affidavit of Compliance with Iowa Code Chapter 655A will act as compliance with the terms and provisions of said Iowa Code Chapter 655A and the mortgagee, First State Bank hereby acquires and succeeds to all the right, title, and interest of the former record titleholder/mortgagor and removes any interest of the Defendants named herein.

The real estate in question is located in Delaware County, Iowa and is described as follows:

> The East seventy five and two-tenths (75.2) feet of the West eight hundred seventy five and two-tenths (875.2) feet of the South two hundred twenty five (225) feet of Lot Four (4) and the East twenty four and eight-tenths (24.8) feet of the West nine hundred (900) feet of the South two hundred seventeen and one-tenth (217.1) feet of Lot Four (4) of Karusco Subdivision, a Subdivision of part of the Southwest Quarter (SW1/4) of the Southeast Quarter (SE1/4) of Section

Thirty (30), Township Eighty Nine North (T89N), Range Five (5) West of the Fifth Principal Meridian, City of Manchester, Delaware County, Iowa, according to plat recorded in Book 6 Plats, Page 116

MOYER & BERGMAN, P.L.C.

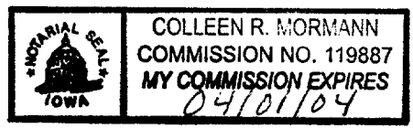
By: _____
William S. Vernon
2720 1st Avenue N.E.
P.O. Box 1943
Cedar Rapids, IA 52406
(319)366-7331

ATTORNEY FOR FIRST STATE BANK

Subscribed to and sworn to before me by the said William S. Vernon this 24th day of January, 2003.

_____
Notary Public in and for the State of Iowa

Original recorded with Delaware County Recorder.




F:\WP\CRM\wsv\aff of compliance hagelberg.doc

# NOTICE OF NON-JUDICIAL FORECLOSURE OF NON-AGRICULTURAL MORTGAGE PURSUANT TO IOWA CODE CHAPTER 655A

TO: Unemployment Insurance Services Tax Bureau
(Iowa Workforce Development)
1000 E. Grand Avenue
Des Moines, IA 50319

Iowa Department of Revenue and Finance
Hoover State Office Building
1305 East Walnut Street
Des Moines, IA 50319

AFD Fund (Ameriserve Food Distribution)
Suite 1600
15305 Dallas Parkway
Addison, TX 75001-9016

Jay C. Hagelberg d/b/a JC's Dairy Queen
112 Marshall Court
Manchester, IA 52057

Annette L. Hagelberg
112 Marshall Court
Manchester, IA 52057

FILED
SECRETARY OF STATE
IOWA
DEC 13 12 50 PM '07

YOU AND EACH OF YOU ARE HEREBY NOTIFIED that First State Bank, 300 E. Main Street, Manchester, Iowa 52057, has formally commenced a Non-Judicial Foreclosure of Non-Agricultural Mortgage pursuant to Iowa Code Chapter 655A.

Attached hereto, marked Exhibit "A," and by this reference made a part hereof, is a true and accurate copy of the Deed of Trust dated January 25, 2002, and filed of record in Book 128 at page 127 of the records of the Delaware County Recorder, said Deed of Trust entered into by and between First State Bank as Lender and Mortgagee and Jay C. Hagelberg and Annette L. Hagelberg as Borrowers and Mortgagors.

EXHIBIT

The Deed of Trust is the first paramount lien on the following-described real estate located in Delaware County, Iowa, to-wit:

> The East seventy five and two-tenths (75.2) feet of the West eight hundred seventy five and two-tenths (875.2) feet of the South two hundred twenty five (225) feet of Lot Four (4) and the East twenty four and eight-tenths (24.8) feet of the West nine hundred (900) feet of the South two hundred seventeen and one-tenth (217.1) feet of Lot Four (4) of Karusco Subdivision, a Subdivision of part of the Southwest Quarter (SW1/4) of the Southeast Quarter (SE1/4) of Section Thirty (30), Township Eighty Nine North (T89N), Range Five (5) West of the Fifth Principal Meridian, City of Manchester, Delaware County, Iowa, according to plat recorded in Book 6 Plats, Page 116

("Real Estate")

The Deed of Trust previously referred to in Exhibit "A" is in default due to the failure of the Borrowers to pay the Mortgages' monthly payments when due.

The monthly payment that is past due and owing on the Mortgage is $2,459.86 plus $42.85 per day after November 1, 2002, unpaid real estate taxes in the amount of $3,265.

That of all entities named herein, only Jay C. Hagelberg and Annette L. Hagelberg are liable for the amounts set forth above. That all other remaining individuals and entities are named hereto because each particular individual and/or entity has or claims to have some interest, lien, right, or title to the above-described property, junior and inferior to the mortgage lien in favor of First State Bank as set forth as follows:

1. Unemployment Insurance Services Tax Bureau claims a lien pursuant to a Notice of Lien dated March 20, 2000 and filed April 6, 2000 in Book 2000, page 1076, of the records of the Delaware County Recorder.

2. Unemployment Insurance Services Tax Bureau claims a lien pursuant to a Notice of Lien dated September 27, 2000 and filed October 16, 2000 in Book 2000, page 3053, of the records of the Delaware County Recorder.

3. Unemployment Insurance Services Tax Bureau claims a lien pursuant to a Notice of Lien dated March 2, 2001 and filed April 9, 2001 in Book 2001, page 1108, of the records of the Delaware County Recorder.

4. Iowa Department of Revenue and Finance claims a lien pursuant to a Notice of Lien dated August 17, 2001 and filed August 20, 2001 in Book 2001, page 2999, of the records of the Delaware County Recorder.

5. Iowa Department of Revenue and Finance claims a lien pursuant to a Notice of Lien dated August 17, 2001 and filed August 20, 2001 in Book 2001, page 3000, of the records of the Delaware County Recorder.

6. Iowa Department of Revenue and Finance claims a lien pursuant to a Notice of Lien dated August 17, 2001 and filed August 20, 2001 in Book 2001, page 3001, of the records of the Delaware County Recorder.

7. Iowa Department of Revenue and Finance claims a lien pursuant to a Notice of Lien dated August 17, 2001 and filed August 20, 2001 in Book 2001, page 3002, of the records of the Delaware County Recorder.

8. Unemployment Insurance Services Tax Bureau claims a lien pursuant to a Notice of Lien dated March 28, 2002 and filed April 25, 2002 in Book 2002, page 1578, of the records of the Delaware County Recorder.

9. Iowa Department of Revenue and Finance claims a lien pursuant to a Notice of Lien dated October 23, 2002 and filed October 23, 2002 in Book 2002, page 3880, of the records of the Delaware County Recorder.

10. Iowa Department of Revenue and Finance claims a lien pursuant to a Notice of Lien dated October 23, 2002 and filed October 23, 2002 in Book 2002, page 3881, of the records of the Delaware County Recorder.

11. Iowa Department of Revenue and Finance claims a lien pursuant to a Notice of Lien dated October 23, 2002 and filed October 23, 2002 in Book 2002, page 3882, of the records of the Delaware County Recorder.

12. Iowa Department of Revenue and Finance claims a lien pursuant to a Notice of Lien dated October 23, 2002 and filed October 23, 2002 in Book 2002, page 3883, of the records of the Delaware County Recorder.

13. AFD Fund (Ameriserve Food Distribution) claims a judgment lien against Jay Hagelberg d/b/a Dairy Queen entered November 26, 2001, Delaware County Case No. LACV004816.

You and each of you are hereby notified that, unless, within thirty (30) days after completed service of this Notice upon you, that the above accounts plus all accrued interest, are paid in full at First State Bank, Attention Joseph Wiewel, 300 East Main Street, Manchester, Iowa 52057, or a rejection of this Notice pursuant to Iowa Code Section 655A.6 is served upon First State Bank, Attention Joseph Wiewel, 300 East Main Street, Manchester, Iowa 52057 as Mortgagee, and filed with the Delaware County Recorder, the Iowa Mortgage previously referred to as Exhibit "A" will be foreclosed.

WITHIN THIRTY (30) DAYS AFTER YOUR RECEIPT OF THIS NOTICE, YOU MUST EITHER CURE THE DEFAULTS DESCRIBED IN THIS NOTICE OR FILE WITH THE RECORDER OF THE COUNTY WHERE THE MORTGAGED PROPERTY IS LOCATED, A REJECTION OF THIS NOTICE AND SERVE A COPY OF YOUR

REJECTION ON THE MORTGAGEE IN THE MANNER PROVIDED BY THE IOWA RULES OF CIVIL PROCEDURE FOR SERVICE OF ORIGINAL NOTICE. IF YOU WISH TO REJECT THIS NOTICE, YOU SHOULD CONSULT AN ATTORNEY AS TO THE PROPER MANNER TO MAKE THE REJECTION.

IF YOU DO NOT TAKE EITHER OF THE ACTIONS DESCRIBED ABOVE WITHIN THE THIRTY (30) DAY PERIOD, THE FORECLOSURE WILL BE COMPLETE AND YOU WILL LOSE TITLE TO THE MORTGAGED PROPERTY. AFTER THE FORECLOSURE IS COMPLETE, THE DEBT SECURED BY THE MORTGAGED PROPERTY WILL BE EXTINGUISHED.

Dated this 5th day of December, 2002.

MOYER & BERGMAN, P.L.C.

By: William S. Vernon

William S. Vernon
2720 First Avenue NE
P. O. Box 1943
Cedar Rapids, IA 52406-1943
Telephone: (319) 366-7331
Facsimile: (319) 366-3668

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189-2046
AWARE COUNTY IOWA
FILED
JAN 25 PM 4 11
128 PAGE 127
[illegible] L. PEYTON
RECORDER
$11.00

Hagelberg, Etal
To
[illegible] State Bank

Co. Abstract

RETURN

Joseph Wiewel, Manchester, Iowa 319 927-3814
(name, address, and phone number of preparer)

# DEED OF TRUST

TO HAVE AND TO HOLD the said real estate with all appurtenances thereto belonging unto the second party, its successors and assigns, forever, first parties hereby covenanting for themselves, their executors, administrators and assigns, that they have full right, power and authority to convey said real estate and its appurtenances, and that they will warrant and defend the title thereto unto second party, its successors and assigns, against the claims of all persons whomsoever lawfully claiming the same, and the first parties hereby relinquish all their contingent rights including dower and homestead, which they have in and to said described real estate.

Provided always, that this conveyance is made in trust for the following uses and purposes:

To secure payment to second party, its successors or assigns, all of notes, obligations and liabilities of first parties to second party, and on which note or notes, obligations and liabilities first parties, either jointly or severally, is or are maker, endorser, surety or guarantor. The intention of first parties hereby is to cover and secure payment to second party of any indebtedness now or hereafter owing by first parties and also to secure payment of any extensions or renewal of any such indebtedness or any part thereof. When all such notes, obligations and liabilities and any renewals or extensions thereof shall be fully paid, together with interest thereon, then these presents shall be void, otherwise they shall be and remain in full force and effect.

First parties hereby agree to pay all taxes and assessments, general or special, upon or against any of the real estate hereinabove described, or any part thereof, before such taxes or special assessments become delinquent and agree to keep all of the said property and the buildings thereon, insured against loss or damage by fire with extended coverage during the existence of this Deed of Trust, in at least the insurable value of such buildings in insurance companies approved by second party, its successors of assigns, and also hereby agree to deliver such insurance policies to second party as further security for the ~~payment~~ of the obligations herein secured. First parties also ~~hereby agree~~ that in the event of loss or damage of any such property by any of the hazards insured against, that the proceeds of such insurance, at the option of the second party, its successors or assigns, shall be paid to and received by second party, its successors or assigns, and applied toward payment of the obligations secured by this Deed of Trust.

It hereby expressly is agreed by and between the parties hereto and made part of this Deed of Trust that in the event of the nonpaymen of any of said notes, obligations and liabilities in accordance with their terms at maturity, whether such maturity be by acceleration o otherwise, or in the event of the failure of first parties to keep and perform any of the conditions, stipulations and covenants herein contained that then the whole amount of principal and interest secured by this Deed of Trust and then unpaid shall become due and payable absolutely at the option of second party, its successors or assigns, and without notice to first parties, suit may be brought for the collection thereof, and for the foreclosure of this Deed of Trust. It further hereby is agreed by and between the parties that second party, its successors or assigns may, if it so elect, pay any delinquent taxes, general or special, against the above described property or any part thereof, and insurance premiums and that any moneys so expended shall become part of the obligations secured hereby in addition to the other notes and obligations secured hereby and shall draw interest at the rate of Var. per cent per annum from date of such actual advancement by second party until repayment thereof to second party.

First parties hereby agree that in the event legal proceedings by foreclosure or otherwise are instituted to collect any of the notes o obligations or liabilities hereby secured, or in the event of the collection of any such notes or obligations by an attorney at law, that a reasonable attorney's fee and also the reasonable cost and expense of any abstract of title and title search shall be allowed and added to the debt secured hereby and become lien upon all of the property hereinabove described. Any first parties agree to pay such attorney's fees, abstract expense and title search expense, and such attorney's fees and expenses shall be taxed as part of the costs in any judgment or decree rendered in such proceedings. If the holder of this Deed of Trust at any time becomes involved in any legal, equitable or other proceedings involving any of the security hereinbefore mentioned, or involving the proceeds of any of such security, first parties hereby agree to pay the reasonable expenses including attorney's fees of the holder hereof by reason thereof, and this Deed of Trust shall stand as security for all such sums.

It is hereby further agreed that in case of default in any respect in the strict performance of any of the covenants, agreements or condition of this Deed of Trust, that the second party, its successors or assigns, either before or on commencement of any action to foreclose this Dee of Trust, or at any time thereafter, shall be entitled to the appointment of a receiver who shall have the power to take and hold possession o the hereinabove described real estate, and rent the same and collect the rents and profits therefrom, and such rights shall in no event be barred forfeited or retarded by reason of a judgment, decree or sale in foreclosure and the right to have such receiver appointed on application o second party, or its successors or assigns, shall exist during the statutory period of reception, regardless of the solvency or insolvency of th first parties and regardless of the value of the aforesaid premises or the waste, loss or destruction of the rents and profits of said premises.

It is hereby further agreed and understood that in case the first parties default hereunder in any respect, that the second party, its successor or assigns, is authorized at its option to take immediate possession of the aforesaid real estate, or any part thereof, and to rent the said re estate and shall be liable to account to the first parties only for the net profits thereof. And it is further agreed that the taking of possession o such property by second party, its successors or assigns, as provided above shall in no manner prevent or retard the collection of the notes obligations hereunder payable, by foreclosure or otherwise. And second party, its successors or assigns, hereby is authorized to hold or continue such possession until the said real estate is sold and if redemption of any of the property is permitted by law, then until such proper has been redeemed, or until the time for redemption has expired.

Obligations of the First Parties secured by this conveyance may not be assumed by a purchaser without written consent of the secon party hereto.

In case the title to any of the property covered by this Deed of Trust is attacked, first parties hereby authorize second party to employ attorney and contest the claim, and first parties hereby after that the reasonable attorney's fee of such attorney shall be allowed and added the debt secured hereby, and shall become a lien upon the property covered by this Deed of Trust, and that such fees and expenses so expend shall become a part of the principal secured hereby, in addition to the notes, liabilities and obligations secured hereby and shall draw intere at the rate of 18% per cent per annum.

IN WITNESS WHEREOF, first parties have hereunto set their hands and seals at Manchester, Iowa on the date first hereinabove written.

NOTICE: This mortgage secures credit in the amount of $400,000. Loans and advances up to this amount, together with interest, senior to indebtedness to other creditors under subsequently recorded or filed mortgages and liens.

EXHIBIT
A
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Co. Abstract

189-2046
DELAWARE COUNTY IOWA
FILED
JAN 25 PM 4 11
128 PAGE 127
DEBORAH L. PEYTON
RECORDER
$11.00

Hagelberg, Etal
To
st State Bank

Joseph Wiewel, Manchester, Iowa 319 927-3814
(name, address, and phone number of preparer)

# DEED OF TRUST

TO HAVE AND TO HOLD the said real estate with all appurtenances thereto belonging unto the second party, its successors and assigns, forever, first parties hereby covenanting for themselves, their executors, administrators and assigns, that they have full right, power and authority to convey said real estate and its appurtenances, and that they will warrant and defend the title thereto unto second party, its successors and assigns, against the claims of all persons whomsoever lawfully claiming the same; and the first parties hereby relinquish all their contingent rights including dower and homestead, which they have in and to said described real estate.

Provided always, that this conveyance is made in trust for the following uses and purposes:

To secure payment to second party, its successors or assigns, all of notes, obligations and liabilities of first parties to second party, and on which note or notes, obligations and liabilities first parties, either jointly or severally, is or are maker, endorser, surety or guarantor. The intention of first parties hereby is to cover and secure payment to second party of any indebtedness now or hereafter owing by first parties and also to secure payment of any extensions or renewal of any such indebtedness or any part thereof. When all such notes, obligations and liabilities and any renewals or extensions thereof shall be fully paid, together with interest thereon, then these presents shall be void, otherwise they shall be and remain in full force and effect.

First parties hereby agree to pay all taxes and assessments, general or special, upon or against any of the real estate hereinabove described, or any part thereof, before such taxes or special assessments become delinquent and agree to keep all of the said property and the buildings thereon, insured against loss or damage by fire with extended coverage during the existence of this Deed of Trust, in at least the insurable value of such buildings in insurance companies approved by second party, its successors of assigns, and also hereby agree to deliver such insurance policies to second party as further security for the payment of the obligations herein secured. First parties also hereby agree that in the event of loss or damage of any such property by any of the hazards insured against, that the proceeds of such insurance, at the option of the second party, its successors or assigns, shall be paid to and received by second party, its successors or assigns, and applied toward payment of the obligations secured by this Deed of Trust.

It hereby expressly is agreed by and between the parties hereto and made part of this Deed of Trust that in the event of the nonpayment of any of said notes, obligations and liabilities in accordance with their terms at maturity, whether such maturity be by acceleration or otherwise, or in the event of the failure of first parties to keep and perform any of the conditions, stipulations and covenants herein contained, that then the whole amount of principal and interest secured by this Deed of Trust and then unpaid shall become due and payable absolutely, at the option of second party, its successors or assigns, and without notice to first parties, suit may be brought for the collection thereof, and for the foreclosure of this Deed of Trust. It further hereby is agreed by and between the parties that second party, its successors or assigns, may, if it so elect, pay any delinquent taxes, general or special, against the above described property or any part thereof, and insurance premiums and that any moneys so expended shall become part of the obligations secured hereby in addition to the other notes and obligations secured hereby and shall draw interest at the rate of var. per cent per annum from date of such actual advancement by second party until repayment thereof to second party.

First parties hereby agree that in the event legal proceedings by foreclosure or otherwise are instituted to collect any of the notes or obligations or liabilities hereby secured, or in the event of the collection of any such notes or obligations by an attorney at law, that a reasonable attorney's fee and also the reasonable cost and expense of any abstract of title and title search shall be allowed and added to the debt secured hereby and become lien upon all of the property hereinabove described. Any first parties agree to pay such attorney's fees, abstract expense and title search expense, and such attorney's fees and expenses shall be taxed as part of the costs in any judgment or decree rendered in such proceedings. If the holder of this Deed of Trust at any time becomes involved in any legal, equitable or other proceedings involving any of the security hereinbefore mentioned, or involving the proceeds of any of such security, first parties hereby agree to pay the reasonable expenses, including attorney's fees of the holder hereof by reason thereof, and this Deed of Trust shall stand as security for all such sums.

It is hereby further agreed that in case of default in any respect in the strict performance of any of the covenants, agreements or conditions of this Deed of Trust, that the second party, its successors or assigns, either before or on commencement of any action to foreclose this Deed of Trust, or at any time thereafter, shall be entitled to the appointment of a receiver who shall have the power to take and hold possession of the hereinabove described real estate, and rent the same and collect the rents and profits therefrom, and such rights shall in no event be barred, forfeited or retarded by reason of a judgment, decree or sale in foreclosure and the right to have such receiver appointed on application of second party, or its successors or assigns, shall exist during the statutory period of reception, regardless of the solvency or insolvency of the first parties and regardless of the value of the aforesaid premises or the waste, loss or destruction of the rents and profits of said premises.

It is hereby further agreed and understood that in case the first parties default hereunder in any respect, that the second party, its successors or assigns, is authorized at its option to take immediate possession of the aforesaid real estate, or any part thereof, and to rent the said real estate and shall be liable to account to the first parties only for the net profits thereof. And it is further agreed that the taking of possession of such property by second party, its successors or assigns, as provided above shall in no manner prevent or retard the collection of the notes or obligations hereunder payable, by foreclosure or otherwise. And second party, its successors or assigns, hereby is authorized to hold or to continue such possession until the said real estate is sold and if redemption of any of the property is permitted by law, then until such property has been redeemed, or until the time for redemption has expired.

Obligations of the First Parties secured by this conveyance may not be assumed by a purchaser without written consent of the second party hereto.

In case the title to any of the property covered by this Deed of Trust is attacked, first parties hereby authorize second party to employ an attorney and contest the claim, and first parties hereby after that the reasonable attorney's fee of such attorney shall be allowed and added to the debt secured hereby, and shall become a lien upon the property covered by this Deed of Trust, and that such fees and expenses so expended shall become a part of the principal secured hereby, in addition to the notes, liabilities and obligations secured hereby and shall draw interest at the rate of 18% per cent per annum.

IN WITNESS WHEREOF, first parties have hereunto set their hands and seals at Manchester, Iowa on the date first hereinabove written.

NOTICE: This mortgage secures credit in the amount of $400,000. Loans and advances up to this amount, together with interest, are senior to indebtedness to other creditors under subsequently recorded or filed mortgages and liens.

EXHIBIT

| | | |
|---|---|---|
| FILE No. 189-2046 | FILED FOR RECORD THE 25 DAY OF January 19 96 AT 4:11 | STATE OF IOWA, DELAWARE COUNTY |
| RECORDING FEE $ 11.00 | O'CLOCK P M. BOOK 128 PAGE 127 | Deborah L. Peyton, Recorder |
| TRANSFER FEE $ | | LM CM 31 |

**DEED OF TRUST**

TO

STATE OF _____ } ss.
_____ County, }

Filed for record the _____ day of _____ A.D., 19 ____

at ____ o'clock ____ M., and recorded in

Book _____ of _____

on page _____.

Recor

Deputy

Fee, $ _____

When filed, recorded and indexed
Return to

X _____ (Seal) X _____ (Seal)
Jay C. Hagelberg Annette L. Hagelberg

By Signing Below, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

"I understand that homestead property is in many cases protected from the claims of creditors and exempt from judicial sale; and that by signing this contract, I voluntarily give up my right to this protection for this property with respect to claims based upon this contract."

_____ (Seal) -Borrower
Jay C. Hagelberg

_____ (Seal) -Borrower
Annette L. Hagelberg

Receipt of this instrument is hereby acknowledged.

Date Initial

Date Initial

STATE OF Iowa } ss.
COUNTY OF Delaware }

On this 25th day of January, A.D. 19 96, before me, the undersigned, a Notary Public in and for Delaware County, personally appeared Jay C. Hagelberg and Annette L. Hagelberg to me known to be the persons named in and who executed the foregoing instrument and acknowledged that they executed the same as their voluntary act and deed.

WITNESS my hand and notarial seal the day and year last above written.

JOSEPH WIEWEL
MY COMMISSION EXPIRES
1 10 96

Notary Public in and for Delaware County, Iowa

## DEED OF TRUST

THIS INDENTURE, made and executed this 25th day of January, 19 96, by and between Jay C. Hagelberg and Annette L. Hagelberg, of the City of Manchester, County of Delaware, and State of Iowa, first parties and First State Bank a corporation organized under the laws of the State of Iowa with its principal office and place of business at Manchester, Iowa, second party,

WITNESSETH:

That first parties for and in consideration of the indebtedness to the second party and of the trust hereinafter created, and in further consideration of the sum of One Dollar ($1.00) and other valuable consideration to them in hand paid by the second party, receipt whereof is hereby acknowledged, to by these presents grant, bargain, sell and convey unto second party, its successors and assigns forever, the certain real estate and the appurtenances thereunto belonging, situated in the County of Delaware and State of Iowa to-wit:

The East seventy five and two-tenths (75.2) feet of the West eight hundred seventy five and two-tenths (875.2) feet of the South two hundred twenty five (225) feet of Lot Four (4) and the East twenty four and eight-tenths (24.8) feet of the West nine hundred (900) feet of the South two hundred seventeen and one-tenth (217.1) feet of Lot Four (4) of Karusco Subdivision, a Subdivision of Part of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section Thirty (30) Township Eighty-Nine North (T89N), Range Five West (R5W) of the Fifth Principal Meridian, City of Manchester, Delaware County, Iowa, according to plat recorded in Book 6 Plats, page 116

and also all of the rents, issues, use and profits of said land and the crops raised thereon, from date hereof until the debt secured thereby shall be paid in full, the intention being to convey hereby an absolute title in fee to the property hereinabove described, including any right of homestead and also every contingent right therein.

FIDLAR DOUBLEDAY, INC., ROCK ISLAND, ILLINOIS — FORM 101H-012

In the Iowa District Court, for Delaware County

Case Name First State Bank/vs/Jay C Hagelberg dba JC'S Dary Queen/Annette Hagelberg
Case No. N/A
Notice recd. this date 12/22/02

STATE OF IOWA
Delaware COUNTY } SS

**RETURN OF SERVICE:**

| | | Type of Service Code |
|---|---|---|
| X | Personal | 1 |
| X | Dwelling/Substitute | 2 |
| ___ | Hotel, Boarding/Rooming House | 3 |
| ___ | Corporation/Association | 4 |
| ___ | Official (State, County, City) | 5 |
| ___ | Spouse away from residence | 6 |
| ___ | Other ___ | 7 |

I certify that I served a copy of:

- ☐ Petition and Original Notice
- ☐ Modification/Application and Notice
- ☐ Order to Show Cause
- ☐ Order Filed ___
- ☐ Writ ___
- ☒ Other Notice of Non-Judicial Foreclosure on Non-Agricultural Mortgage Pursuant to Iowa Code Chapter 655 A

Served:

| | | | | | Type Code |
|---|---|---|---|---|---|
| Jay C. Hagelberg dba JC'S Dairy Queen (NAME) | at | 112 Marshall Ct. Manchester Ia (ADDRESS) | on | 12/24/02 (DATE) | 1 |
| ___ (NAME) | at | ___ (ADDRESS) | on | ___ (DATE) | ___ |
| ___ (NAME) | at | ___ (ADDRESS) | on | ___ (DATE) | ___ |
| ___ (NAME) | at | ___ (ADDRESS) | on | ___ (DATE) | ___ |
| ___ (NAME) | at | ___ (ADDRESS) | on | ___ (DATE) | ___ |
| Annette Hagelberg (NAME) | by serving | Jay C. Hagelberg (NAME) | at | 112 Marshall Ct. (ADDRESS) | 2 |

___ on ___, (a person residing therein who was then at least 18 years old) or (spouse away from residence). [Strike non-applicable part.]

___ (COMPANY/GOVERNMENT UNIT NAME) by serving ___ (NAME) ___

___ its (TITLE), on 12/24/02 (DATE), at Manchester, Iowa.

NOTES: (Diligent Search, etc.)

John A. LeClere, Sheriff

Delaware, County, Iowa

F.K. Porter #28-2
(OFFICIAL TITLE)
F.K. Porter, Deputy 28-2

Fees:
Service 15.00
Mileage 1.00
Copy 10.00
Total 26.00

PAID Date 12/31/02 Ck. No. 015861

Fees charged to/paid by Atty/Party: ___

NOTE: Copy of Original Notice, if served, must be attached to this form.

EXHIBIT B

ACCEPTANCE OF SERVICE

I, John Bernau, the Delaware County Attorney, on behalf of the Iowa Department of Revenue and Finance on this 6 day of December, 2002, hereby accept due and legal service pursuant to the Iowa Rules of Civil Procedure and acknowledge receipt of the attached Notice of Non-Judicial Foreclosure of Non-Agricultural Mortgage pursuant to Iowa Code Chapter 655A.

IOWA DEPARTMENT OF REVENUE AND FINANCE

By: John W. Bernau

John Bernau
Delaware County Attorney

STATE OF IOWA )
) ss:
COUNTY OF DELAWARE )

On this 6th day of December, 2002, before me, a Notary Public in and for the state of Iowa personally appeared John Bernau, the Delaware County Attorney, to me known to be the person who executed the within and foregoing instrument, and he acknowledged that he executed the same as his voluntary act and deed by and on behalf of the Iowa Department of Revenue and Finance in his representative capacity.

Kathy M. Hauschild
Notary Public in and for the State of Iowa

NOTARIAL SEAL IOWA
KATHY M. HAUSCHILD
COMMISSION NO. 155818
MY COMMISSION EXPIRES
4-19-05

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EXHIBIT C

ACCEPTANCE OF SERVICE

I, John Bernau, the Delaware County Attorney, on behalf of the Unemployment Insurance Services Tax Bureau (Iowa Workforce Development)on this 6 day of December, 2002, hereby accept due and legal service pursuant to the Iowa Rules of Civil Procedure and acknowledge receipt of the attached Notice of Non-Judicial Foreclosure of Non-Agricultural Mortgage pursuant to Iowa Code Chapter 655A.

UNEMPLOYMENT INSURANCE
SERVICES TAX BUREAU (Iowa
Workforce Development)

By: John W. Bernau
John Bernau
Delaware County Attorney

STATE OF IOWA )
) ss:
COUNTY OF DELAWARE )

On this 6th day of December, 2002, before me, a Notary Public in and for the state of Iowa personally appeared John Bernau, the Delaware County Attorney, to me known to be the person who executed the within and foregoing instrument, and he acknowledged that he executed the same as his voluntary act and deed by and on behalf of the Unemployment Insurance Services Tax Bureau (Iowa Workforce Development) in his representative capacity.

Kathy M. Hauschild
Notary Public in and for the State of Iowa

NOTARIAL SEAL IOWA
KATHY M. HAUSCHILD
COMMISSION NO. 155818
MY COMMISSION EXPIRES
4-19-05

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EXHIBIT

**AFFIDAVIT OF SERVICE**

Re: NOTICE OF NON-JUDICIAL FORECLOSURE OF NON-AGRICULTURAL MORTGAGE PURSUANT TO IOWA CODE CHAPTER 655A

STATE OF IOWA
SS
COUNTY OF POLK

I, James E. Mazour, being duly sworn on oath state that I am not a party to the above entitled action nor an attorney for any of the parties thereto; that on the 13th day of December, 2002 I served an exact copy of the attached Notice of Non-Judicial Foreclosure Of Non-Agricultural Mortgage Pursuant To Iowa Code Chapter 655A upon AFD Fund (Ameriserve Food Distribution), a dissolved foreign corporation, by delivering said documents to its registered agent, the Iowa Secretary of State, at the Lucas State Office Building, Des Moines, Iowa 50319.

James E. Mazour, CLI
JAMES MAZOUR INVESTIGATIONS, LTD.
5601 Hickman Road, Suite 4
Des Moines, Iowa 50310-1163
Telephone 515-279-8383

Subscribed and sworn to before me on this 13th day of December, 2002

Notary Public in and for the State of Iowa

Process Service fee: $41.80

MARSHA L. MAZOUR
Commission Number 138367
My Commission Expires
01-16-04

EXHIBIT

CHESTER J. CULVER
IOWA SECRETARY OF STATE

HOOVER BUILDING, 2ND FLOOR
DES MOINES, IOWA 50319

DECEMBER 13, 2002

WILLIAM VERNON
%MOYER & BERGMAN
P.O. BOX 1943
CEDAR RAPIDS, IA 52406-1943

RE: FIRST STATE BANK vs UNEMPLOYMENT INSURANCE SERVICES TAX BUREAU, IOWA DEPARTMENT OF REVENUE and FINANCE, AFD FUND (AMERISERVE FOOD DISTRIBUTION, JAY C HAGELBERG d/b/a JC'S DAIRY QUEEN, ANNETTE L HAGELBERG

DEAR MR VERNON,

ENCLOSED IS A FILED COPY OF THE NOTICE OF NON-JUDICIAL FORECLOSURE OF NON-AGRICULTURAL MORTGAGE YOUR OFFICE SENT TO THE SECRETARY OF STATE OFFICE IN THE ABOVE CAPITONED MATTER, PURSUANT TO THE PROVISIONS OF SECTION 490.1520, CODE OF IOWA.

SINCERELY,

Chet Culver

CHESTER J. CULVER
SECRETARY OF STATE

CJC/pak

CC: AMERISERVE FOOD DISTRIBUTION, INC.
%AFD FUND
1006 BELTLINE RD, STE 100
ADDISON, TEXAS 75244

TEL (515) 281-5204 FAX (515) 242-5953 www.sos.state.ia.us sos@sos.state.ia.us

AFFIDAVIT OF MAILING

Re: Non-Judicial Foreclosure of Non-Agricultural Mortgage Pursuant to Iowa Code Chapter 655A by First State Bank and against Jay C. Hagelberg d/b/a JC's Dairy Queen

The undersigned, being first duly sworn upon oath, deposes and states that on the 6th day of December, 2002, he personally mailed to Thomas J. Miller, Iowa Attorney General, Second Floor, Hoover State Office Building, Des Moines, IA 50319, by certified mail, return receipt requested, being mailed in a sealed envelope with proper postage thereon, a Notice of Non-Judicial Foreclosure of Non-Agricultural Mortgage Pursuant to Iowa Code Chapter 655A for service upon the Defendant, Iowa Department of Revenue and Finance. The affiant further states that attached hereto is receipt for certified mail no. 7000 1670 0010 9283 8501 showing the date of mailing and the return receipt showing receipt by the Attorney General of Iowa of the envelope on December 9, 2002.

William S. Vernon

Subscribed and sworn to before me, the undersigned, this 8th day of January, 2003.

NOTARY PUBLIC IN AND FOR THE STATE OF IOWA

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NOTARIAL SEAL IOWA
COLLEEN R. MORMANN
COMMISSION NO. 119887
MY COMMISSION EXPIRES
4/01/04

EXHIBIT F

7000 1670 0010 9283 8501

**U.S. Postal Service**
**CERTIFIED MAIL RECEIPT**
*(Domestic Mail Only; No Insurance Coverage Provided)*

| | |
|---|---|
| Postage | $ .60 |
| Certified Fee | 2.30 |
| Return Receipt Fee (Endorsement Required) | 1.75 |
| Restricted Delivery Fee (Endorsement Required) | |
| **Total Postage & Fees** | $ 4.65 |

CEDAR RAPIDS IA USPS 52401-9806 Postmark Here DEC 6 2002

Sent To: Thomas J. Miller, Iowa Attorney General
Street, Apt. No., or PO Box No.: 1305 East Walnut St, 2nd Flor
City, State, ZIP+4: Des Moines IA 50319

PS Form 3800, May 2000 — 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:

Thomas J. Miller
Iowa Attorney General
2nd Floor, Hoover State Ofc. Bldg
1305 East Walnut
Des Moines, IA 50319

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature: PAULA NEWBROUGH ☐ Agent ☐ Addressee

B. Received by (Printed Name): ~~FLEET AND MAIL DIVISION~~ DES MOINES, IOWA 50319 C. Date of Delivery: DEC 0 9 2002

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)*

PS Form 3811, August 2001 — Domestic Return Receipt — 102595-02-M-1540

AFFIDAVIT OF MAILING

Re: Non-Judicial Foreclosure of Non-Agricultural Mortgage Pursuant to Iowa Code Chapter 655A by First State Bank and against Jay C. Hagelberg d/b/a JC's Dairy Queen

The undersigned, being first duly sworn upon oath, deposes and states that on the 6th day of December, 2002, he personally mailed to Thomas J. Miller, Iowa Attorney General, Second Floor, Hoover State Office Building, Des Moines, IA 50319, by certified mail, return receipt requested, being mailed in a sealed envelope with proper postage thereon, a Notice of Non-Judicial Foreclosure of Non-Agricultural Mortgage Pursuant to Iowa Code Chapter 655A for service upon the Defendant, Unemployment Insurance Services Tax Bureau (Iowa Workforce Development). The affiant further states that attached hereto is receipt for certified mail no. 7000 1670 0010 9283 8495 showing the date of mailing and the return receipt showing receipt by the Attorney General of Iowa of the envelope on December 9, 2002.

William S. Vernon

Subscribed and sworn to before me, the undersigned, this 8th day of January, 2003.

NOTARY PUBLIC IN AND FOR THE STATE OF IOWA

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NOTARIAL SEAL IOWA
COLLEEN R. MORMANN
COMMISSION NO. 119887
MY COMMISSION EXPIRES
4/01/04

EXHIBIT C

7000 1670 0010 9283 8495

**U.S. Postal Service**
**CERTIFIED MAIL RECEIPT**
*(Domestic Mail Only; No Insurance Coverage Provided)*

| | |
|---|---|
| Postage | $ .60 |
| Certified Fee | 2.30 |
| Return Receipt Fee (Endorsement Required) | 1.75 |
| Restricted Delivery Fee (Endorsement Required) | |
| **Total Postage & Fees** | $ 4.65 |




Postmark Here

Sent To: Thomas J. Miller, Iowa Attorney General
Street, Apt. No.; or PO Box No.: 1305 East Walnut St., 2nd Floor
City, State, ZIP+4: Des Moines IA 50319

PS Form 3800, May 2000 — 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:

Thomas J. Miller
Iowa Attorney General
2nd Floor, Hoover State Office Bldg
1305 East Walnut
Des Moines, IA 50319

*COMPLETE THIS SECTION ON DELIVERY*

A. Signature
X
☐ Agent
☐ Addressee

B. Received by (Printed Name): PAULA NEWBROUGH FLEET AND MAIL DIVISION DES MOINES, IOWA 50319
C. Date of Delivery: DEC 0 9 2002

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)*

PS Form 3811, August 2001 — Domestic Return Receipt — 102595-02-M-1540