Fidelity Bank & Trust
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52040

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DEBORAH L PEYTON, RECORDER/REGISTRAR
DELAWARE COUNTY IOWA

Prepared by and return to: Todd J. Locher, Locher & Locher, P. O. Box 7, Farley, IA 52046, (563) 744-3359

VOLUNTARY FORECLOSURE AGREEMENT

This AGREEMENT is made and entered into this 27th day of April, 2009, by and between FIDELITY BANK & TRUST, Dyersville, Iowa (hereinafter referred to as "Bank") and RAY R. YAGER and DIANNE L. YAGER, husband and wife, (hereinafter referred to a "Mortgagor").

RECITALS:

A. On or about April 17, 1997, Mortgagor executed and delivered to Bank a Promissory Note in the face amount of $26,500.00. On July 23, 2004, Mortgagor executed and delivered to Bank a Promissory Note in the face amount of $36,550.00, replacing the previous Promissory Note. Said Promissory Note requires Mortgagor to make periodic payments of principal and interest to Bank.

B. The Promissory Note referred to at Recital A above is secured by one certain Deed of Trust executed and acknowledged by Mortgagor to Bank, as Mortgagee, dated April 17, 1997 and covering the following described real estate in Delaware County, Iowa:

Lot Three (3), Block Thirty One (31), Earlville, formerly Nottingham, Iowa, according to plat recorded in Book I L.D., Page 346,

(which real estate is hereinafter referred to as the "Real Estate") and which Deed of Trust was filed April 21, 1997 in Book 44 T.L.M. Page 39 of the records of Delaware County, Iowa.

C. The Promissory Note referred to at Recital A above is also secured by one certain Deed of Trust and Security Agreement executed and acknowledged by Mortgagor to Bank, as Mortgagee, dated July 23, 2004 covering the above described real estate and which Deed of Trust and Security Agreement was filed July 29, 2004 in Book 2004, Page 2831 of the records of Delaware County, Iowa.

D. Mortgagor has made some, but not all, of the required payments due under the Promissory Note referred to at Recital A above. Pursuant to the terms of the Promissory Note and Deeds of Trust, Bank has exercised its option to accelerate the maturity of the indebtedness and has declared the indebtedness evidenced by said Promissory Note and Deeds of Trust to be due and payable in full. Mortgagor acknowledges that Bank's Mortgage

constitutes a first lien upon the Real Estate to the extent of the unpaid indebtedness owing under the Promissory Note.

E. The value of the Real Estate described in Recital B above is less than the mortgage lien amount held by Bank.

F. It has been agreed that in order to save the costs and expenses incidental to completion of judicial foreclosure of the aforesaid Deeds of Trust held by Bank, Mortgagor will voluntarily convey the Real Estate presently secured by said Real Estate Mortgage to Bank in lieu of judicial foreclosure and pursuant to the alternative nonjudicial foreclosure procedure under Section 654.18 of the Code of Iowa.

NOW, THEREFORE, in consideration of the mutual terms and conditions hereinafter set forth and in consideration of the indebtedness presently owing by Mortgagors to Bank, the parties agree as follows:

1. The parties jointly agree that the Deed of Trust indebtedness, as evidenced by the Promissory Note referred to at Recital A above, is in the following amount as of $37,169.07:

Principal indebtedness	$34,364.61
Accrued unpaid interest and late charges	2,804.46
Total Due as of April 20, 2009	$37,169.07

Mortgagor acknowledges that they are in default in payment of the aforesaid deed of trust indebtedness and that under the terms of the Deeds of Trust and Promissory Note, Bank has the right to accelerate and declare the entire balance due. Mortgagor hereby waives written demand of payment of the Promissory Note secured by the Deeds of Trust and waives any further notice of default.

Mortgagor further acknowledges that the Real Estate is not "agricultural property" and that the mediation provisions of Chapter 654A of the Code of Iowa are not applicable.

2. Pursuant to the alternative nonjudicial voluntary foreclosure procedure set forth at Section 654.18 of the Code of Iowa, it is agreed that simultaneously with the execution of this Agreement, Mortgagor will execute and deliver to Bank a Quit Claim Deed conveying to Bank the following described property, to-wit":

> Lot Three (3), Block Thirty One (31), Earlville, formerly Nottingham, Iowa, according to plat recorded in Book I L.D., Page 346,

Said Quit Claim Deed is given in lieu of foreclosure of the Bank's Real Estate Mortgage, is not intended as additional security and is intended to convey absolutely and in fee simple Mortgagor's entire right, title, and interest in and to said Real Estate, together with all buildings and building improvements thereon and appurtenances thereto and with the release of any and all dower and homestead rights, if any, in and to said Real Estate. Said Quit Claim Deed further conveys and transfers to Bank the Mortgagor's right of possession, rentals and equity of redemption in and to the Real Estate. Mortgagor represents to Bank that there are no other interests in the Real Estate except for liens of record and that there are no unrecorded interests,

including, but not limited to, unrecorded mechanic's liens, and that Mortgagor is in sole possession of the Real Estate. Bank shall, upon execution of this Agreement by all parties, have the right to immediate possession of and access to the Real Estate, and Mortgagor shall no longer have any possessory or other rights to the Real Estate.

3. By execution of this Agreement, Mortgagor acknowledges receipt on this 27th day of April, 2009 of two copies of the "Disclosure and Notice of Cancellation" form attached hereto as Exhibit A and by this reference made a part hereof. If Mortgagor does not cancel this transaction within the next five (5) business days, this Voluntary Foreclosure Agreement shall become final and binding upon all parties hereto with the following results and consequences:

(a) Bank shall be entitled to actual, immediate and complete possession of the Real Estate, including all buildings and improvements thereon.

(b) Bank agrees to accept Mortgagor's conveyance of the Real Estate in full satisfaction of the entire note and mortgage indebtedness referred to in paragraph 1 herein, and Bank, as mortgagee, waives any right to any deficiency judgment or other claim against Mortgagor arising from the transactions which are the subject matter of this Agreement, including, without limitation, the Promissory Note and Real Estate Mortgage referred to above.

In turn, Mortgagor, Ray R. Yager and Dianne L. Yager, husband and wife, and their successors and assigns, do hereby release, acquit and forever discharge Fidelity Bank & Trust, and all of its past, existing and future shareholders, directors, officers, agents and employees, from any and all liability whatsoever, including all claims, demands and causes of action of every nature, arising out of or in any way related to the transactions which are the subject of this Agreement.

(c) Bank shall file this Voluntary Foreclosure Agreement with the Delaware County Recorder.

(d) The conveyance of the Real Estate by Mortgagor to bank by Quit Claim Deed shall not act as a merger or extinguishment of the Bank's Deeds of Trust on the Real Estate and shall not restrict the right of Bank to institute foreclosure proceedings or other legal proceedings if necessary in order to adjudicate the priority of Bank's mortgage lien and security interest with respect to any other liens or encumbrances upon the Real Estate. It is the intention of the parties that the Deeds of Trust of Bank shall remain in full force and effect until such time as the Real Estate is sold and conveyed to a third party by Bank and Bank realizes and receives the proceeds of such sale, at which time Bank agrees to execute and file a satisfaction of its Deeds of Trust in proper form for recording purposes.

(e) Pursuant to Section 654.18 (1) (e) of the Code of Iowa, Bank shall serve a notice of the election of this voluntary nonjudicial foreclosure procedure upon all junior lienholders, which junior lienholders shall have thirty (30) days from the date of service upon them to exercise their right of redemption.

On the other hand, if Mortgagor shall elect to cancel this transaction within five (5)

business days, this Voluntary Foreclosure Agreement, together with Mortgagor's conveyance of the Real Estate to Bank, shall be void and of no legal force and effect. In such event the note and mortgage indebtedness owing by Mortgagor to Bank and refered to in paragraph 1 herein shall remain in full force and effect and Bank shall be entitled to exercise any and all rights and remedies available to Bank under the Promissory Note, Deeds of Trust, and Security Agreement or under law, including judicial foreclosure.

4. It is agreed by the parties that upon the subsequent sale or leasing of said Real Estate by Bank, the Bank shall be absolutely entitled to retain any and all sale proceeds or rents and Bank shall be under no obligation to account for any of said sale proceeds or rents to Mortgagor, it being recognized that the conveyance of said Real Estate by Mortgagor to Bank is an absolute conveyance and vests in Bank the right to sell or lease said Real Estate upon such terms and for the price it deems best. Mortgagor acknowledges that they have no right to repurchase or reacquire any portion of the Real Estate and has no right of first refusal in connection therewith.

5. In the event the conveyance by Mortgagor to Bank of the Real Estate is subsequently attacked or set aside by judicial proceeding, by a trustee in bankruptcy or otherwise, or in the event Bank subsequently learns that claims or liens exist which would not allow good and marketable title to be established in Bank under the alternative nonjudicial foreclosure procedure provisions of Section 654.18 of the Code of Iowa, the Bank may, at its option, declare this Agreement to be null and void, ab initio, and the debt purportedly extinguished by reason of the conveyance of the Real Estate by Mortgagors to Bank, including all accrued interest and all protective disbursements, shall remain in full force and effect. Further, the Deed of Trust interest of Bank upon the Real Estate shall continue in full force and effect from the date of said Deeds of Trust, and Bank shall be entitled to all rights and remedies arising under said Deeds of Trust or under law, including judicial foreclosure.

6. Mortgagor acknowledges that this Voluntary Foreclosure Agreement and the Quit Claim Deed conveying the Real Estate to Bank are given voluntarily and without any fraud, misrepresentation, duress or undue influence whatsoever by or on the part of Bank or Bank's agents, officers, directors, employees and attorneys and without any misunderstanding on the part of Mortgagor. Mortgagor acknowledges that they have had adequate opportunity to review this Voluntary Foreclosure Agreement and the Quit Claim Deed with their own legal counsel.

7. Mortgagor hereby assigns to Bank all hazard insurance policies, if any, now in effect on the Real Estate and further assigns to Bank the right to receive payment of any and all claims payable under the terms of said insurance policies.

8. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

Dated this 27th day of April, 2009.

FIDELITY BANK & TRUST, Dyersville, Iowa

By: Thomas H. Lucas
Thomas H. Lucas, President

Ray R. Yager

Dianne L. Yager

STATE OF IOWA)
) ss:
COUNTY OF DUBUQUE)

On this 27th day of April, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas H. Lucas, to me personally known, who being by me duly sworn, did say that he is the President of said corporation executing the within and foregoing instrument; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said Thomas H. Lucas acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by him voluntarily executed.

NATHAN FREEZE
Commission Number 712045
My Commission Expires
8-16-10

Notary Public, State of Iowa

STATE OF IOWA)
) ss:
COUNTY OF DUBUQUE)

On this 27th day of April, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared Ray R. Yager and Dianne L. Yager, husband and wife, to me known to be the identical person named in and who executed the foregoing instrument and acknowledged that she executed the same as her voluntary act and deed.

Notary Public, State of Iowa

CHRISTOPHER M. SOPPE
Commission Number 729976
My Comm. Exp 8-12-2010

EXHIBIT A

DISCLOSURE AND NOTICE OF CANCELLATION

_____, 2009

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 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 Fidelity Bank & Trust before midnight of _____, 2009.

I HEREBY CANCEL THIS TRANSACTION.

_____, 2009. _____
Ray R. Yager

_____, 2009. _____
Dianne L. Yager