



Document 2009 3217

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Rec Amt \$34.00

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LISA SMITH, COUNTY RECORDER  
MADISON COUNTY IOWA



Preparer Information	<u>Anthony A. Longnecker, 700 Walnut, Suite 1600, Des Moines, IA 50309-3899, (515) 283-3196</u>			
	Individual's Name	Street Address	City	Phone

Anthony A. Longnecker ISBA # 03261

SPACE ABOVE THIS LINE FOR  
RECORDER

✓ F+M

**ELECTION TO FOLLOW  
ALTERNATIVE NONJUDICIAL VOLUNTARY  
FORECLOSURE PROCEDURE**

This Election to Follow Alternative Nonjudicial Voluntary Foreclosure Procedure ("Agreement") dated as of October 16, 2009, is made between Farmers & Merchants State Bank ("Mortgagee"), Country Life Homes, LLC, an Iowa limited liability company f/k/a The New Home Store, L.L.C. ("Mortgagor") and Shawn P. Corkrean ("Guarantor") pursuant to Iowa Code § 654.18, concerning the mortgages described below and the following real property in Madison County, Iowa (the "Real Estate"):

The North Half (1/2) of Lot Six (6) of C & C Allen's Addition to Winterset, Madison County, Iowa

And

The South Half (1/2) of Lot Six (6) of C & C Allen's Addition to Winterset, Madison County, Iowa.

1. Mortgagor executed the following mortgages in favor of Mortgagee, each encumbering a portion of the Real Estate and each filed with the Recorder of Madison County, Iowa (the "Mortgages"):

<b>Recording Date</b>	<b>Recording Instrument</b>
02/14/2005	Book 2005, Page 657 ("Mortgage-1")
02/04/2004	Book 2004, Page 537 ("Mortgage-2")

Guarantor also executed Mortgage-2.

The parties agree that Mortgage-1 only secures payment of that certain Universal Note ("Note-1") executed and delivered by Mortgagor to Mortgagee dated 02/14/2005 in the principal amount of \$26,250.00.

The parties agree that Mortgage-2 only secures payment of that certain Universal Note ("Note-2") executed and delivered by Mortgagor to Mortgagee dated 06/24/2004 in the original principal amount of \$160,000.00.

The Mortgages, Note-1 and Note-2 (collectively "Notes"), are presently in default (the "Default").

The parties agree that the following promissory notes, among others, are not or no longer secured by either Mortgage-1 or Mortgage-2 and are therefore not affected by this Agreement:

- a. That certain Universal Note in the original sum of One Hundred Seventy-One Thousand Five Hundred and No/100 Dollars (\$171,500.00) plus interest, executed on August 5, 2005, by The New Home Store, L.L.C. k/n/a Country Life Homes, LLC and Shawn P. Corkrean, personally to Farmers & Merchants State Bank.
- b. That certain Universal Note in the original sum of One Hundred Seventy-Two Thousand and No/100 Dollars (\$172,000.00) plus interest, executed on November 15, 2005, by Country Life Homes, L.L.C. and Shawn P. Corkrean, personally to Farmers & Merchants State Bank.
- c. That certain Universal Note in the original sum of Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00) plus interest, executed on June 23, 2008, by Country Life Homes, L.L.C. and Shawn P. Corkrean, personally to Farmers & Merchants State Bank.

2. Mortgagor and Mortgagee have elected to follow the Alternative Nonjudicial Voluntary Foreclosure Procedure set forth in Iowa Code § 654.18 in regard to the Mortgages and Mortgagor and Mortgagee agree to execute such documents as may be necessary to comply with said Procedure.

3. Mortgagor shall convey by a Warranty Deed ("Deed") to Mortgagee all of

Mortgagor's interest in the Real Estate and Mortgagor represents to Mortgagee that there are no other interests in the Real Estate except any liens now of record. Mortgagor further represents that there are no unrecorded interests including, but not limited to, unfiled mechanic's liens, and that the Mortgagor is in sole possession of the Real Estate.

4. Mortgagee agrees to accept such Deed from Mortgagor and agrees to waive all rights to a deficiency or other claim against Mortgagor arising from the Mortgages, Note-1 and Note-2.

5. The parties acknowledge and agree that notwithstanding the Mortgagee's waiver of its right to claim a deficiency against Mortgagor in the preceding paragraph, all of the Mortgages will remain in full force and effect after the transactions contemplated by this Agreement have been consummated. The parties further acknowledge and agree that the interests of the Mortgagee in the Real Property created by the Deed provided for herein will not merge with the interests of the Mortgagee in the Real Property created by the Mortgages. It is the express intention of each of the parties that such interests of the Mortgagee in the Real Property will not merge, but be and remain at all times separate and distinct, notwithstanding any union of said interests in the Mortgagee at any time by deed in lieu of foreclosure, purchase, termination or otherwise and that the liens held by the Mortgagee against the Real Property created by the Mortgages will remain at all times valid and continuous liens against the Real Property. The Mortgagee has specifically reserved the right to assert all claims held by the Mortgagee against the Real Estate described in the Mortgages from time to time after the date hereof including the right to foreclose the Mortgages for the full amount of the indebtedness secured by the Mortgages.

6. Mortgagor hereby grants to Mortgagee, as of the date of this Agreement, access to the Real Estate for the purposes of maintaining and protecting the same. Mortgagee assumes no responsibility for such maintenance and protection until title to the Real Estate has vested in Mortgagee.

7. Mortgagor authorizes Mortgagee to file this Agreement with the Madison County, Iowa Recorder.

8. Mortgagee's waiver of its right to claim a deficiency against Mortgagor set forth in paragraph 4 of this Agreement will be void ab initio and will be of no force or effect if the Deed is ever rendered void or rescinded by operation of law, or by order of any state or federal court of competent jurisdiction. On the occurrence of such event, the Mortgagee will have the right to unilaterally reinstate the obligations of the Mortgagor under the Mortgages, Notes and related loan documents and abrogate the Mortgagee's waiver of its right to claim a deficiency against Mortgagor by service of written notice to the Mortgagor. On the exercise of such right by the Mortgagee, the Mortgagee will be entitled to exercise all of the Mortgagee's rights and remedies under the Mortgages, Notes and related loan documents, at law or in equity.

9. Guarantor agrees and consents to all terms and conditions of this Agreement.

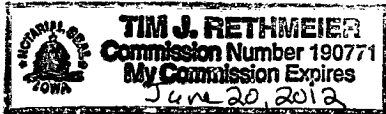
10. Mortgagor acknowledges receipt of two (2) copies of this Agreement and the attached notice entitled "DISCLOSURE AND NOTICE OF CANCELLATION".

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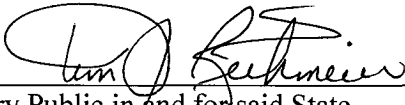


STATE OF IOWA            )  
  ) SS:  
COUNTY OF MADISON    )

This instrument was acknowledged before me on October 16th,  
2009 by, Shane K. Pashek as President of Farmers & Merchants State Bank.



(Stamp or Seal)

  
\_\_\_\_\_  
Notary Public in and for said State

[CONTINUATION OF SIGNATURE PAGE TO ELECTION TO FOLLOW ALTERNATIVE NONJUDICIAL  
VOLUNTARY FORECLOSURE PROCEDURE]