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DELAWARE COUNTY IOWA

Jason P. Else, P.O. Box 185, Delhi, Iowa 52223 319-922-2174

July 14, 2000

PROMISSORY NOTE AND MORTGAGE EXTENSION AGREEMENT

FOR GOOD AND VALUABLE CONSIDERATION, it is hereby agreed that a certain Promissory Note dated June 17, 1994 with a due date of June 17, 1997 in the face amount of $30,000.00 and signed by Stephen D. Gourley ("Borrower") which has a present principal balance of $22,185.67 and a Mortgage dated June 17, 1994 and recorded June 27, 1994 in Book 123, page 223, Real Estate Records of Delaware County, all be extended and revised as follows:

1. On July 14, 2000, Borrower shall pay Heritage Bank the sum of $75.00 to be applied to pay the accrued interest amount of $35.59 on the Promissory Note with the remainder to be applied on the principal balance of the Promissory Note.

2. Commencing July 14, 2000 the principal balance on the Promissory Note shall bear interest at the rate of 9.25% per annum with interest computed on the outstanding principal balance on the basis of a 365 day year for the actual number of days elapsed. All payments received shall be applied first to interest accrued and due, and the remainder, if any, to reduction of principal. All prepayments of principal, at the option of the holder of the Promissory Note, shall be applied in inverse order of maturity.

3. Payments of principal and interest shall be paid weekly beginning July 21, 2000 and continuing every seven days thereafter until July 11, 2003 when all accrued interest and unpaid principal shall become due and payable. The weekly payment shall be in an amount of $75.00.

4. This agreement is an extension and revision only and is not a novation, and, except as provided in this Agreement, all the terms and conditions of the Promissory Note and the Mortgage shall remain in full force and effect.

5. The undersigned acknowledge receipt of a copy of this Agreement.

IMPORTANT: READ BEFORE SIGNING, THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN AGREEMENT MAY BE LEGALLY ENFORCED. EITHER PARTY MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.

Stephen D. Gourley

HERITAGE BANK

By: _____

STATE OF IOWA

COUNTY OF Delaware

On this 14th day of July, 2000, before me, a Notary Public in the State of Iowa, personally appeared Stephen D. Gourley, to me known to be the person named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

_____ - Notary Public in and for the State of Iowa

CYNTHIA L. [illegible]
MY COMMISSION EXPIRES
October 6 2002