DELAWARE COUNTY IOWA
FILED

2000 OC 27 AM 10: 54

BOOK 2000 PAGE 3140
DEBORAH L. PEYTON
DELAWARE CO. RECORDER
$ 11.00

Cynthia L. Orr, P.O. Box 185, Delhi, Iowa 52223 319-922-2174

October 24, 2000

PROMISSORY NOTE AND MORTGAGE EXTENSION AGREEMENT

FOR GOOD AND VALUABLE CONSIDERATION, it is hereby agreed that a certain Promissory Note dated October 24, 1997 with a due date of October 24, 2000 in the face amount of $45,000.00 and signed by Ralph L. Graham and Shirley M. Graham ("Borrowers") which has a present principal balance of $4,493.62 and a Mortgage dated October 24,1997 and recorded November 7, 1997 in Book 46, page 58 , Real Estate Records of Delaware County, all be extended and revised as follows:

1. On October 24, 2000, Borrower paid Heritage Bank the sum of $300.00 to be applied to pay the accrued interest amount of $31.21 on the Promissory Note with the remainder to be applied on the principal balance of the Promissory Note.

2. Commencing October 24, 2000 the principal balance on the Promissory Note shall bear interest at the rate of 8.25% 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 monthly beginning November 24, 2000 and continuing on the same day of the month each month thereafter until February 24, 2002 when all accrued interest and unpaid principal shall become due and payable. The monthly payment shall be in an amount of $300.00.

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.

Ralph L. Graham

Shirley M. Graham

HERITAGE BANK

By: Cynthia L. Orr

STATE OF IOWA
COUNTY OF Delaware

On this 24th day of October, 2000, before me, a Notary Public in the State of Iowa, personally appeared Ralph L. Graham and Shirley M. Graham, to me known to be the person(s) named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

Cynthia L. Orr
- Notary Public
in and for the State of Iowa

NOTARIAL SEAL
CYNTHIA L. ORR
MY COMMISSION EXPIRES
October 6 2002

STATE OF IOWA
COUNTY OF DELAWARE

This instrument was acknowledged before me on 24th of Oct., 2000, by Cynthia L. Orr, Assistant Vice President of Heritage Bank.

NOTARIAL SEAL IOWA
LINDA J. JAY
MY COMMISSION EXPIRES
2-18-02

Linda J. Jay
- Notary Public
in and for the State of Iowa