DELAWARE COUNTY IOWA
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BOOK 1002 PAGE 1001
DEBORAH L. PEYTON
DELAWARE CO. RECORDER

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

May 10, 2001

PROMISSORY NOTE AND MORTGAGE EXTENSION AGREEMENT

FOR GOOD AND VALUABLE CONSIDERATION, it is hereby agreed that a certain Promissory Note dated May 4, 1998 with a due date of May 4, 2001 in the face amount of $27,000.00 and signed by Gloria M. Howe ("Borrower") which has a present principal balance of $23,732.52 and a Mortgage dated May 4, 1998 and recorded May 8, 1998 in Book 140, page 57 , Real Estate Records of Delaware County, all be extended and revised as follows:

1. On May 10, 2001 Borrower paid Heritage Bank the sum of $322.50 to be applied to pay the accrued interest amount of $322.50 on the Promissory Note.

2. Commencing May 10, 2001 the principal balance on the Promissory Note shall bear interest at the rate of 7.75% 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 June 4, 2001 and continuing on the same day of the month each month thereafter until May 4, 2004 when all accrued interest and unpaid principal shall become due and payable. The monthly payment shall be in an amount of $254.28.

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.

Gloria M. Howe

Gloria M. Howe

HERITAGE BANK

By: Cynthia L. Orr

STATE OF IOWA
COUNTY OF Delaware

On this 11th day of May, before me, a Notary Public in the State of Iowa, personally appeared Gloria M. Howe , 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.

LINDA J. JAY
MY COMMISSION EXPIRES
2-18-03

Linda Jay

Notary Public
in and for the State of Iowa

STATE OF IOWA
COUNTY OF DELAWARE

This instrument was acknowledged before me on 5-11-, 2001 , by Cynthia L. Orr, Assistant Vice President of Heritage Bank.

LINDA J. JAY
MY COMMISSION EXPIRES
2-18-03

Linda Jay

Notary Public
in and for the State of Iowa