DELAWARE COUNTY IOWA
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2001 SEP 12 PM 2:37
BOOK 111 PAGE 235
DEBRA L. HERTON
DELAWARE CO. RECORDER

Prepared by ~~Rosemary Drees~~ 101 E. Main St. Manchester, IA 52057 (563)927-4475

NOTE AND MORTGAGE EXTENSION AGREEMENT

WHEREAS, the undersigned parties to that certain Note and Mortgage dated September 15, 2001, which Mortgage as recorded in the office of the Recorder of Delaware County, Iowa on the 27th day of September, 1990 in Book 111 at page 235, covering the property described therein, have mutually agreed to extend the note and Mortgage maturity date.

THEREFORE, IT IS HEREBY AGREED by and between the parties, for good and valuable consideration, the receipt of which is hereby acknowledged, as follows:

1. The interest rate shall be adjusted to 7.25 %, beginning September 12, 20 01, and the (strike one) ~~annual~~/monthly payments under said Note and Mortgage will be changed to $ ~~2765.00~~ per (strike one) ~~year~~/month, beginning October 15 2001. The principal balance is $ 35,103.93 as of Sept., 12 20 01.

2. This modification shall also serve to extend the maturity date of this Note and Mortgage to November 15, 20 02

3. All other terms and conditions of the Note and Mortgage securing the same described above shall remain unchanged and in full force and effect, and that said Mortgage shall continue as a first lien upon the premises and that neither the obligation evidencing the aforesaid indebtedness nor the mortgage securing the same shall in any way be prejudiced by this modification. The mortgagors reaffirm and ratify the note and mortgage as modified and/or extended above.

Dated this 12th day of September, 20 01.

LENDER

FARMERS & MERCHANTS SAVINGS BANK

By: Eric C. Anderson EVP
Eric C. Anderson, Exec. Vice President

BORROWER(S) Karusco, Inc.

BY: Richard M. Jones, president
Richard M. Jones, President

STATE OF IOWA, COUNTY OF DELAWARE, ss:

This instrument was acknowledged before me on the 12th day of September, 20 01, by Eric C. Anderson as Exec. Vice President of Farmers & Merchants Savings Bank.

Rosemary Drees
COMMISSION NUMBER 144070
My Commission Expires
9/30/02

Rosemary Drees
Notary Public in and for the State of Iowa

~~STATE OF IOWA, COUNTY OF~~ Delaware, ss:

This instrument was acknowledged before me on the 12th day of September, 20 01, by Richard M. Jones as President of Karusco, Inc.

(No seal procured by corporation)

Rosemary Drees
COMMISSION NUMBER 144070
My Commission Expires
9/30/02

Rosemary Drees
Notary Public in and for the State of Iowa