DELAWARE COUNTY IOWA
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DEBORAH L. PEYTON
DELAWARE CO. RECORDER
11.00

BRIAN C. LUBBEN, CITY STATE BANK, 59 N. 4TH STREET, CENTRAL CITY, IA (319)438-6621
(Name, address, and phone number of preparer)

(Space Above This Line For Recording Purposes)

EXTENSION AND MODIFICATION AGREEMENT

WHEREAS James V. Freiburger and Cindy J. Freiburger, Husband and Wife, executed and delivered to City State Bank, Central City, Iowa, a certain real estate mortgage dated the 29th day of March, 2002, which real estate mortgage was filed for record in the office of the Delaware County, Iowa, recorder on the 8th day of April, 2002, where the same is found in Book 2002, Page 1308 and

WHEREAS, said mortgage secured a promissory note dated the 29th day of March, 2002, with an original maturity of April 25, 2015, and executed and delivered by James V. Freiburger and Cindy J. Freiburger, husband and wife, payable to City State Bank, Central City, in the principal amount of $34,000.00, and

WHEREAS, the mortgagee, in order to assure compliance with Section 535.2 of the Code of Iowa, may require the execution of a new note and new mortgage along with recording of said mortgage and the issuance of a title opinion showing a first lien and that the same would cause the mortgagors to incur additional fees for the recording instruments, for abstracting, title examination, all of which may be avoided by the execution of this Extension and Modification Agreement,

NOW, THEREFORE, it is agreed by the undersigned parties as follows:

1. That the promissory note number 48851 dated March 29, 2002, and due April 25, 2015, is hereby amended and/or modified in the following particulars:

   Interest rate shall be lowered to 6.00% adjustable rate feature, from 7.17% adjustable rate feature. The payments will be increased to $335.00 per month, from $334.29 per month. The maturity date will be reduced to April 25, 2014 from April 25, 2015

2. The amendments and modifications to the promissory note set forth in paragraph (1) of this Extension and Modification Agreement shall be retroactive to and including the date of the execution of the renewal promissory note referred to herein.

3. Mortgagors covenant and agree that the promissory note as so modified by this agreement is in compliance with Section 535.2 of the Code of Iowa, and agree to release and hold City State Bank, Central City, Iowa, harmless and to indemnify the mortgagee from any claim the mortgagors might make as to non-compliance with regard to said Section in consideration of the mortgagee's waiving the execution of a new note and mortgage and new title opinion requirements that are otherwise required for the mortgagee to accommodate the mortgagor's desire to extend the amounts due under said note as originally executed.

4. Except as modified herein the above referred to real estate mortgage and promissory note are ratified and reaffirmed in their entirety.

5. The parties hereto shall execute a renewal promissory note incorporating the terms set forth herein. However, the original promissory note dated the 29th day of March, 2002, shall not be released by said renewal note.

6. IMPORTANT: Read before signing. The terms of this agreement should be read carefully because only these terms in writing are enforceable. No other terms or oral promises not contained in this written contract may be legally enforced. You may change the terms of this agreement only by another written agreement.

Signed this 25th day of March, 2003.

CITY STATE BANK, Mortgagee

BY: _____
John M. Maurice, President

BY: _____
Eric J. Heims, Exe. Vice President

Mortgagors

BY: _____
James V. Freiburger

BY: _____
Cindy J. Freiburger

STATE OF IOWA)
) ss
COUNTY OF LINN)

On this 25 day of March, 2003, before me, the undersigned, a Notary Public in and for said State, personally appeared John M. Maurice and Eric J. Heims, to me personally known, who by me duly sworn, did say that they are the President and Executive Vice President, respectively, of City State Bank, Central City, IA 52214, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and that the said John M. Maurice and Eric J. Heims as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

NOTARIAL SEAL IOWA
BRIAN C. LUBBEN
COMMISSION NUMBER 701137
MY COMMISSION EXPIRES
1-10-2006

_____
Brian C. Lubben, Notary Public in and
For the State of Iowa
My Commission Expires: 1/10/2006

STATE OF IOWA)
)ss
COUNTY OF LINN)

On this 25th day of March, 2003, before me, the undersigned, a Notary Public in and for said State, personally appeared, James V. Freiburger and Cindy J. Freiburger, husband and wife, to me known to be the identical persons named in and who executed the within and foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

NOTARIAL SEAL IOWA
BRIAN C. LUBBEN
COMMISSION NUMBER 701137
MY COMMISSION EXPIRES
1-10-2006

_____
Brian C. Lubben, Notary Public in and
For the State of Iowa.
My Commission Expires 1/10/2006