DELAWARE COUNTY IOWA
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DEBORAH L. PEYTON
DELAWARE CO. RECORDER
23.00

Hawkeye Escrow
2750 1st Ave NE Rm 400
Cedar Rapids IA
52402-4831

6HLE-1004

Prepared by: William P. Prowell of Shuttleworth & Ingersoll, PLC, Box 2107, Cedar Rapids, IA 52406
Tel. No. 319-365-9461

AMENDMENT NO. 1
TO
LEASE

A. Marcheta R. Cooey, individually and as surviving spouse of Archie W. Cooey Jr., appears as Landlord and David K. Fry and Lisa M. Fry appear as Tenant in that certain lease dated August 24, 1994 as amended by the Addendum to Existing Lease dated October 7, 1995 covering property located at LOT #7 OF HARTWICK LAKE CLUB WEST SUBDIVISION OF PART OF THE S1/2 OF SEC. 24 AND OF PART OF THE N1/2 OF SEC. 25 ALL IN T88N R5W OF THE FIFTH P.M. DELAWARE COUNTY, IOWA ("Lease").

B. In an effort to facilitate financing by Tenant, certain provisions need to be included in the Lease. Landlord is willing to amend the Lease to include such provisions.

In consideration of the mutual undertakings set forth herein and other good and valuable consideration the receipt and sufficiency of which is acknowledged, Landlord and Tenant agree as follows:

1. The following provisions are added to the Lease notwithstanding any terms and conditions of the Lease to the contrary:

a. From and after delivery by Lender to Landlord of a request for notice of Tenant default accompanied by Lender's name and address, Landlord will provide to Lender by U.S. Mail a copy of any notice of default delivered by Landlord to Tenant under the Lease.

b. In the event of foreclosure of Lender's mortgage or delivery to Lender of a deed in lieu of foreclosure, Lender shall be permitted to assign its interest, subject to the terms and conditions of the Lease, to any third party without the consent of Landlord. Lender will provide written notice to Landlord of any such assignment. In such circumstances Landlord will renew the Lease if Lender, or its assignee, so requests. Lender and its assignee will

also adhere to the applicable covenants of the Hartwick Lake Club West Subdivision.

c. After delivery by Landlord to Lender of written notice of Tenant's default under the Lease, Lender shall have 60 days to cure Tenant's default. However, no action taken by Lender to cure any such default shall be construed as an assumption of the duties and obligations of the Tenant under the Lease.

d. In the event that Lender takes possession of or title to the improvements located on the real estate covered by the Lease and Tenant's leasehold interest in the real estate, Landlord agrees that Lender may, after delivery of thirty (30) days written notice to Landlord, surrender all of Lender's interest in and to the improvements and its interest in the Lease without penalty or liability; provided, however, that Lender must continue to perform the terms and conditions of the Lease prior to surrender.

e. Each of Landlord and Tenant agrees that it will notify Lender in the event of the bankruptcy of either and will take, in a timely manner, all action necessary to assume the unexpired term and any renewal options.

f. In the event of condemnation, any proceeds paid to Tenant shall first be applied toward the reduction of the debt secured by Lender's mortgage and shall then by used by Tenant to rebuild and restore the improvements located on the real estate unless Lender consents to the use of the proceeds for some other purpose. Neither Tenant nor Lender shall be entitled to any proceeds paid for Landlord's interest in the real estate described in the Lease or for Landlord's interest in the Lease.

g. Landlord and Tenant agree that there shall be no merger of Landlord's interest and Tenant's interest in the Lease in the event that the same person or entity acquires both interests except in the event of Lender's surrender under paragraph 1(d) above.

h. Landlord agrees that its rights to obtain a lien for unpaid rent under the Lease and/or its right to remove the improvements from the real estate covered by the Lease and/or any other remedy rights Landlord may have under Iowa law shall be subordinate to the lien of Lender's mortgage.

i. Landlord and Tenant agree that none of the following will be permitted without the prior written consent of the Lender:

(i). Any partition, subdivision or modification of the Lease and/or Tenant's leasehold estate;

(ii). Any surrender, abandonment, or termination by Tenant of Tenant's leasehold estate;

(iii). Any termination or cancellation of the Lease or the taking of any action that has the effect of terminating the Lease; and

(iv). Any amendment to the Lease that adversely affects the rights of the Lender.

j. Landlord agrees that the Lease can be terminated by Landlord only for non-payment of amounts due to Landlord thereunder. In the event of such default and Landlord's termination of the Lease or in the event of a court ordered termination of the Lease, Landlord will enter into a new lease with Lender, or its designee, if requested by Lender, on the same terms and conditions as the Lease provided that Lender, or its designee, performs the terms of the Lease including those in default. Any such new lease shall remain subordinate to Lender's lien to the same extent as provided in this Amendment.

2. Except as expressly amended herein, the Lease shall remain in full force and effect.

3. This Amendment shall be construed under and interpreted by the laws of the state of Iowa.

Dated: July 21, 2004.

Marcheta R. Cooey

Marcheta R. Cooey

LANDLORD

Dated: July 21, 2004.

David K. Fry

David K. Fry

Lisa M. Fry

Lisa M. Fry

TENANT

STATE OF IOWA)
) ss:
COUNTY OF LINN)

Acknowledged before me this 21 day of July, 2004 by David K. Fry and Lisa M. Fry, husband and wife.

Notary Public – State of Iowa

KAREN J JAHLAS
Notarial Seal - Iowa
Commission # 178447
My Commission Expires 3-7-07

STATE OF IOWA)
) ss:
COUNTY OF Delaware)

Acknowledged before me this 21 day of July, 2004 by Marcheta R. Cooey, a single person.

Notary Public – State of Iowa

RON McCRABB
Commission Number 002573
IOWA My Comm. Exp. 6-14-05