MODIFICATION AGREEMENT

This agreement made and entered into by and between Terry S. Kerr and Pamela J. Kerr of the County Madison and State of Iowa, present owner of the premises described in the mortgage hereinafter mentioned, party of the first part, and the Union State Bank, Wintrset, Madison County, Iowa, party of the second part;

WHEREAS, Terry S. Kerr and Pamela J. Kerr, husband and wife, did execute and deliver unto Union State Bank, Winterset, Iowa, a certain mortgage and note therein set forth, said note and mortgage bearing date the 27th day of August, 19 76, which mortgage was recorded in Mortgage Record Book 124, on Page 505, of the records of the County Recorder of Madison County, Iowa, to secure the payment of said note of the full amount of Thirty-one Thousand Three Hundred and 00/100-($31,300.00) Dollars and Interset:and

WHEREAS, Terry S. Kerr and Pamela J. Kerr, husband and wife is the present owner of the property described in said mortgage, and the Union State Bank, Winterset, Iowa, the present holder and owner of said note and mortgage, have this day agreed to modify the time of payment of the balance due of the principal sum of said note secured by said mortgage:

NOW, THEREFORE, by mutual agreement, it is hereby agreed that the principal sum now fully and justly unpaid on the note being secured by said mortgage is Twenty Nine Thousand Five Hundred Ninty Four and 8-/100-($29,594.80) Dollars and that as a term and condition of this modifications said note is to continue to draw interest at the rate of Twelve (12%) percent per annum from September 1, 1986, and it is further agreed that the remaining balance of said note in the amount of Twenty Nine Thousand Five Hundred Ninty Four and 80/100-($29,594.80) Dollars should be payable in the following manner;

$356.00 on September 1, 1986, and $356.00 each month thereafter until August 1, 1989, when the balance will be due for the purpose of renegotiating the interest rate.

UNION STATE BANK CORPORATE SEAL WINTERSET

It is also mutually agreed that all the terms, conditions and stipulations in said note and mortgage contained and set forth are and shall continue in full force and effect excepting only as modified by the foregoing agreement.

Signed this 28th day of August 19 86.

Terry S. Kerr

Pamela J. Kerr

UNION STATE BANK, Winterset, Iowa

By D. A. Bolton EVP

D. A. Bolton, Executive Vice President

Compared 4

FILED NO. 446
Fee $5.00 BOOK 146 PAGE 322
1986 SEP -4 PM 2:13
MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA

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PAGE V

State of Iowa:
Madison County:

On this 28th day of August, 19 86, before the undersigned, a Notary Public in and for County of Madison and State of Iowa, came Terry S. Kerr and Pamela J. Kerr to me personally known to be the identical person whose name is subscribed to the foregoing instrument as maker thereof and acknowledge and execution of the same to be their voluntary act and deed.

NOTARIAL SEAL IOWA JEANNIE M. UTSLER MY COMMISSION EXPIRES 8-31-89

Jeannie M Utsler

State of Iowa:
Madison County:

On this 28th day of August, 19 86, before me appeared D. A. Bolton to me personally know, who being by me sworn, did say that he is the Executive Vice President of the Union State Bank, Winterset, Iowa, and that the seal affixed to said instrument is the corporate seal of said Corporation, and that the said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors and the said D. A. Bolton acknowledge said instrument to be the voluntary act and deed of said Cororation.

Witness my hand and Notarial Seal the date last above written.

NOTARIAL SEAL IOWA JEANNIE M. UTSLER MY COMMISSION EXPIRES 8-31-89

Jeannie M Utsler

Notary Public in and for Madison, County, Iowa.