

AMENDMENT NO. 2 TO PROMISSORY NOTE

WHEREAS, the City of Rapid City (hereafter "City") signed a promissory note on November 3, 2003, in favor of PAJO Properties, LLC (hereafter "PAJO") to evidence a loan from PAJO to the City for the purpose of funding the construction of a cart barn at the Meadowbrook Golf Course; and

WHEREAS, there was an amendment to the promissory note approved by the City Council on July 10, 2004; and

WHEREAS, the parties now desire to amend the original promissory note again to reflect a new prepayment date.

NOW, THEREFORE, BE IT AGREED by the City of Rapid City and PAJO Properties, LLC that:

1. The promissory note dated November 3, 2003, executed by the City in favor of PAJO is hereby amended to reflect a change in the prepayment date from March 1, 2007, to September 1, 2007.
2. All other terms of the November 3, 2003 promissory note and the amendment approved on July 10, 2004, remain in full force and effect and are binding upon the parties.

BORROWER: CITY OF RAPID CITY

By: _____
Jim Shaw, Mayor

ATTEST:

James F. Preston
Finance Officer

(SEAL)

LENDER: PAJO PROPERTIES, LLC

By: _____
Patrick Vidal, Co-Manager