

SECOND AMENDMENT TO GROUND LEASE AGREEMENT

This Second Amendment is made as of November 8, 2007, between CITY OF RAPID CITY, a municipal corporation, of the State of South Dakota, hereinafter called "Lessor" and STEVEN C. LESTER, LLC, a South Dakota limited liability company, hereinafter called "Lessee."

WITNESSETH:

WHEREAS, Lessor and Civic Center Associates, a South Dakota limited partnership entered into a Ground Lease Agreement dated as of January 23, 1987, as amended January 1, 1988, hereinafter called "Ground Lease" and

WHEREAS, Civic Center Associates assigned its interest to Steven C. Lester on or about August 16, 2004, and

WHEREAS, the City of Rapid City and the Civic Center Board having approved the said Assignment, and

WHEREAS, Steven C. Lester, as Lessee, having assigned his interest to Steven C. Lester, LLC, a South Dakota limited liability company, and the Civic Center Board and the City of Rapid City having approved said Assignment on September 21, 2007, and

WHEREAS, Lessor and Lessee desire to amend certain provisions of said Ground Lease Agreement to allow Lessee to continue the operation of the improvement on said Ground Lease, and

WHEREAS, the Civic Center Board has approved the attached amendments,

NOW, THEREFORE, in consideration of the premises, the parties agree to the following amendments:

1. Exhibit D shall be amended deleting the 20% and inserting therefor 10% and it shall further be amended deleting 7,000 square feet and substituting therefor approximately 14,000 square feet.

2. Section 7.4 is amended to add thereto the following: Nothing contained herein shall prohibit or restrict Lessee from mortgaging or encumbering its interest in the Ground Lease.

3. Replace the third sentence of Section 9.2 with the following language: Notwithstanding anything stated herein to the contrary, if at the time of any taking, full or partial, there is a Leasehold Mortgagee, any award, compensation, or insurance payment owing to Lessee hereunder, shall be paid directly to Leasehold Mortgagee, and distribution of such monies shall be handled pursuant to the provisions of the Security Instrument between Lessee and Leasehold Mortgagee.

4. The reference to Article VIII in the last sentence of Section 9.2 of the Ground Lease shall be changed to Article IX.

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5. The Ground Lease is further amended by adding as Section 9.4 the following:

Section 9.4 Damage by Fire or Casualty.

(a) Definitions. The following definitions shall apply in construing provisions of this Lease relating to damage by fire or casualty to all or any part of the Leased Premises, Hotel or Improvements:

(i) "Partial Damage" means any damage to the Leased Premises and/or Hotel and other Improvements that is not Total Damage.

(ii) "Total Damage" means total destruction of the Leased Premises and/or Hotel and other Improvements.

(b) Total or Partial Damage.

(i) Obligation to Repair. If the Hotel or any replacement thereof, or if the machinery, fixtures and equipment placed therein by Lessee, shall be Totally or Partially damaged or destroyed by fire or otherwise at any time during the Lease Term, Lessee will commence, as soon as is reasonable under the circumstances, and continue thereafter diligently and without interruption thereof, at Lessee's sole expense, to repair, restore and rebuild the same as nearly as possible to the condition they were in immediately prior to such damage or destruction, or with such changes or alterations as may be made in conformity with the provisions of this Lease relating to changes or alterations. This obligation to repair shall apply regardless of the availability of insurance proceeds and regardless of the manner in which such proceeds are disbursed.

(ii) Payment of Insurance Proceeds.

A. In the event of Total Damage or Partial Damage so long as a Leasehold Mortgagee holds a Mortgage on the Lessee's Leasehold Estate, the proceeds of any fire or casualty insurance shall be payable to the first priority Leasehold Mortgagee, provided that such Leasehold Mortgagee's mortgage provides that the insurance proceeds shall be devoted by such Leasehold Mortgagee to such repair, restoration and rebuilding (the "Work") on the conditions hereinafter set forth. Such proceeds shall be paid out from time to time to Lessee as such Work progresses, upon the written request of Lessee, which shall be accompanied by a certificate of a licensed architect in charge of the Work stating:

(1) that the sum requested is justly due to the contractors, subcontractors, materialmen, laborers, engineers, architects or other persons, firms or corporations rendering services or materials in connection with such Work, or is justly required to reimburse Lessee for expenditures made by Lessee in connection with such Work, and, when added to all sums previously paid out by such mortgagee and Lessee, does not exceed the cost of the Work done to the date of such certificate; and

(2) that the insurance money remaining in the hands of such Leasehold Mortgagee, together with other sums, if any, deposited by Lessee with such Leasehold Mortgagee will be sufficient upon the completion of such Work to pay for the same in full.

B. Lessee shall also furnish such Leasehold Mortgagee, at the time of any such payment, Lessee's affidavit that there has not been filed with respect to the Leased Premises or Hotel any mechanic's or other lien, which has not been discharged, or if there is any such lien, such lien will be discharged of record, by payment out of such payment, in respect of any work, labor, services or materials performed, furnished or supplied whether or not performed, furnished or supplied in connection with any such Work; provided, however, that if Lessee desires in good faith to contest the payment of any amount secured by such lien, Lessee shall have the right to do so. Such Leasehold Mortgagee shall not pay out any insurance money when the Leased Premises or Hotel is encumbered with any such lien not to be discharged out of the proceeds of any payment to Lessee or contested as aforesaid. If the insurance money in the hands of such Leasehold Mortgagee and such other sums, if any, deposited with such Leasehold Mortgagee shall be insufficient to pay the entire cost of such Work, Lessee agrees to pay the deficiency immediately. Simultaneously with the furnishing of any certificate, affidavit or report to such Leasehold Mortgagee, Lessee will cause a copy of the same to be furnished to Lessor.

C. Upon the completion of the Work and payment in full therefore by Lessee, and after the time to file mechanic's and similar liens has expired, and after submission of proof to such Leasehold Mortgagee in form reasonably satisfactory to such remaining and such other sums, if any, deposited with such Leasehold Mortgagee shall be distributed to Lessee.

(1) If, at the time of Total Damage or Partial Damage there shall not be a Leasehold Mortgagee holding a Mortgage on the Lessee's Leasehold Estate, such proceeds shall be paid into an escrow deposit account with a bank or trust company mutually agreed upon by the parties. The condition of the escrow shall be that all such proceeds so held shall be applied first to the costs, expenses and fees of such escrowee, and any remaining amount shall be distributed to Lessee.

Dated: November 8, 2007.

STEVEN C. LESTER, LLC

By

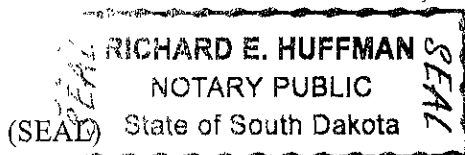
Lester Family Manager, LLC, Manager

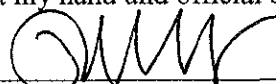
By: Steven C. Lester, Manager

State of South Dakota)
) ss.
County of Pennington)

On November 8, 2007, before me, notary public in it for the county and state residing therein and duly commissioned and sworn, personally appeared Steven C. Lester, as Manager of Lester Family Manager, LLC, which LLC is the Manager of Steven C. Lester, LLC, a South Dakota limited liability company, and that being authorized to do so, he executed the within instrument for the purposes therein contained and in the indicated capacity on behalf of the partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.




Notary Public
My Comm. Expires: Mar 20, 2011

Dated: November 8, 2007.

RUSHMORE PLAZA CIVIC CENTER BOARD

By Michael A. Diedrich
Michael Diedrich, Its Chairman

State of South Dakota,)
) ss.
County of Pennington.)

On November 8, 2007, before me, the undersigned officer, personally appeared Michael Diedrich respectively, who acknowledged himself to be Chairman of Rushmore Plaza Civic Center Board and that he, as such Chairman, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Sandra A. Sheeder
Notary Public
My Comm. Expires: Oct 22, 2013

Dated: November 8, 2007.

CITY OF RAPID CITY

By _____
Alan Hanks, Mayor

Attest: James F. Preston, Finance Officer

State of South Dakota,)
) ss.
County of Pennington.)

On November 8, 2007, before me, the undersigned officer, personally appeared Alan Hanks and James F. Preston, Mayor and City Finance Officer respectively, who acknowledged themselves to be City officers of City of Rapid City and that they, as such City official, being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

(SEAL)

Notary Public
My Comm. Expires: _____

