

PROMISSORY NOTE

2

US \$870,773.00

Rapid City, SD
June 8, 2000

FOR VALUE RECEIVED, BGW Development Company, LLC of Rapid City, SD (Borrower) promises to pay to the City of Rapid City, Rapid City, South Dakota, (Lender) the principal sum of Eight Hundred Seventy Thousand Seven Hundred Seventy Three Dollars and no cents (\$870,773.00) plus accrued interest. The principal shall be interest-free for a period of five years from the date of substantial completion of the public improvements to be constructed from the loan proceeds. Thereafter and commencing at the beginning of the sixth year following substantial completion of the public improvements, interest shall accrue on the unpaid balance at an annual rate of 1% above the Prime Rate determined as of the date interest commences.

Lender hereby accepts that the principal sum represents repayment of an Infrastructure Development Partnership Fund Loan (Loan) to assist in providing adequate public improvements in an area known as Red Rock Canyon Estates, more specifically described in the Loan and Infrastructure Development Agreement (Agreement) authorized by the Rapid City Council on June 19, 2000.

Borrower shall repay the loan upon the earlier of either (a) approval by the City of a final plat of Borrower's development or (b) ten years from the date of substantial completion of the infrastructure construction project. In the event final platting of Borrower's development is accomplished in separate phases, then repayment of the principal and accrued interest shall be prorated in accordance with the formula established in Section 2 of the Agreement. Borrower is obligated to repay the City the entire balance of the Loan including accrued interest when the final plat is approved for the last phase of this project.

Payments shall be made to: City of Rapid City Finance Office
300 Sixth Street
Rapid City, SD 57701

Attn: James F. Preston, Finance Officer

If any installment under this note is not paid when due and remains unpaid after a date specified by notice to Borrower, the entire principal amount outstanding and accrued interest thereon shall at once become due and payable at the option of the note holder. The date specified shall not be less than thirty (30) days from the date such notice is mailed. The note holder may exercise its option to accelerate during any default by Borrower regardless of any prior forbearance. In the event of default, if costs are incurred to collect this note, the note holder shall be entitled to collect all reasonable costs and expenses of collection allowed by law, including reasonable attorney's fees.

Borrower shall have the right to prepay without penalty all or any portion of the remaining balance of this note at any time after date of execution with interest, if any, computed to the date of such prepayment.

All makers, sureties, guarantors, and endorsers hereby waive presentment, notice of dishonor, and protest hereof. This note shall be the joint and several obligation of all makers, sureties, guarantors, and endorsers, and shall be binding upon them and their successors and assigns.

Any notice to Borrower provided for in this note shall be given by mailing such notice to BGW Development Company, LLC at an address designated by written notice from Borrower.

The indebtedness evidenced by this Note is secured by (Financial Performance Bond – Letter of Credit, etc.) Dated _____. A copy of this security is herein incorporated by reference as if fully set forth in this document.

All documents and agreements between the parties hereto shall be governed by and construed in accordance with the laws of the State of South Dakota.

This agreement shall be binding upon the parties hereto, their heirs, successors, and assigns.

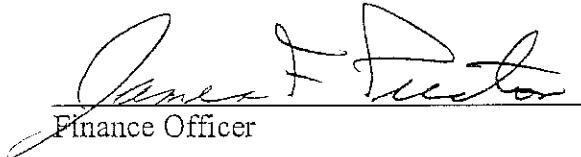
IN WITNESS WHEREOF, the undersigned sets its hand and seal this 21
day of June, 2000.

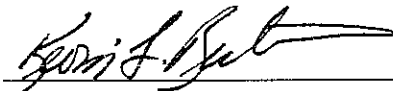
ACKNOWLEDGEMENT

BORROWER

City of Rapid City

BGW Development Company, LLC.


Finance Officer

By: 
KEVIN L. BLUMSTROOK
MEMBER

(SEAL)