

THIRD ADDENDUM TO THE MASTER DEVELOPMENT AGREEMENT WITH PRESIDENT'S PLAZA L.L.C.

This Third Addendum to the Master Development Agreement ("Addendum") is made and entered into this ____ day of _____, 2012, by and between the City of Rapid City, a South Dakota municipal corporation ("City") and President's Plaza, LLC, a South Dakota limited liability company, ("President's Plaza").

RECITALS

WHEREAS, on September 21, 2009, the City approved the Master Development Agreement ("Master Agreement") between the City and St. Joe Investment Group L.L.C. ("St. Joe") regarding the proposed mixed use development on the corner of St. Joseph and 5th Street; and

WHEREAS, the City and St. Joe executed a First Addendum to the Master Development Agreement ("First Addendum") on November 16, 2009; and

WHEREAS, pursuant to the terms of the Agreement, the City approved an Assignment and Novation Agreement on April 18, 2011, whereby all of St. Joe's rights, interests and obligations under the Agreement were assigned to President's Plaza; and

WHEREAS, the City and President's Plaza executed a Second Addendum to the Master Development Agreement on November 7, 2011; and

WHEREAS, the City and President's Plaza have agreed to revise certain provisions of the Master Agreement due to the replacement of TID 62 with TID 73.

NOW, THEREFORE, the parties hereby agree to modify the Master Agreement and First and Second Addendum as follows:

1. Section 1, Overview of St. Joe Project, subparagraph B, shall be deleted and replaced with the following:

On August 6, 2012, or as soon thereafter as the parties have agreed to an acceptable escrow agreement with disbursement provisions, City shall transfer the fixed sum of two million eight hundred thousand dollars (\$2,800,000) in the previously approved Vision (2012) Funds to an escrow account for the purpose of funding the design and construction of public improvements of the St. Joe Project. Pending the escrow deposit, City shall immediately commence steps to place the said 2012 funds in a segregated account under the City's control designated for use on this project.

2. Section 1, Overview of St. Joe Project, sub-paragraph C, is: revised to substitute TID #73 for TID #62.

3. Section 4, Conditions Precedent, sub-paragraph A, the date is changed to August 6, 2012.

4. Section 4, Conditions Precedent, sub-paragraph E, the date is changed to August 6, 2012.

CITY OF RAPID CITY

Sam Kooiker, Mayor

ATTEST:

Pauline Sumption, Finance Officer

PRESIDENT'S PLAZA, L.L.C

Hani Shafi, Member

Pat Hall, Member

State of South Dakota)
 ss.
County of Pennington)

On this the ____ day of _____, 2012 before me, the undersigned officer personally appeared _____, who acknowledged himself to be a member of President's Plaza, L.L.C., and that as such, being duly authorized to do so, executed the foregoing instrument for the purposes herein contained.

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

Notary Public, _____

My Commission Expires:

(SEAL)

State of South Dakota)
 ss.
County of Pennington)

On this the ____ day of _____, 2012 before me, the undersigned officer personally appeared _____, who acknowledged himself to be a member of President's Plaza, L.L.C., and that as such, being duly authorized to do so, executed the foregoing instrument for the purposes herein contained.

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

Notary Public, _____

My Commission Expires:

(SEAL)