

LEASE

No. PW111202-09

Lease agreement made as of the first day of January, 2003, by and between the City of Rapid City, ("City"), and Rapid City Lodge No. 1187 of the Benevolent and Protective Order of Elks, ("Elks").

For and in consideration of the mutual covenants herein made, to be kept and performed by the respective parties, the City and the Elks hereby agree as follows:

The City hereby leases to the Elks a certain parcel of real property, containing thirty (30) acres, more or less, as shown on Exhibit A, attached, and legally described as:

A portion of the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4) of Section Nine (9), T1N, R8E, BHM, Pennington County, South Dakota, being specifically the South One Thousand One Hundred Fifty Feet (S 1150') thereof, less the West One Hundred Seventeen Feet (W 117') thereof.

The Elks shall use the leased premises as a driving range in conjunction with the golf course it presently operates on abutting premises. All access to the property by the Elks and its licensees, permittees, guests, agents, and employees shall be through and across property owned by the Elks, except with the express permission of the Director of Public Works. All construction or improvements required to provide access to the leased premises shall be constructed by the Elks at its sole expense.

All grading and all construction by the Elks upon the leased premises shall be at its sole expense and shall be subject to the approval of the Director of Public Works.

This lease shall be for a term of five (5) years beginning January 1, 2003, and ending January 1, 2008, at which time it shall expire and be of no further force or effect unless the parties shall specifically and mutually agree otherwise, in writing. This lease shall be terminable by either party upon sixty (60) days written notice to the other party.

As consideration for the granting of this lease the Elks shall pay to the City annually on or before April 15th of each year the sum of One Thousand Five Hundred Dollars (\$1,500.00).

The Elks shall obtain insurance coverage of One Million Dollars (\$1,000,000) combined single limit for property damage and/or property damage per occurrence. The

Elks shall hold the City harmless from any liability arising out of its use and occupancy of the leased premises and shall cause the City to be named as an additional insured on all liability policies.

CITY OF RAPID CITY

By: _____
Jerry Munson, Mayor

ATTEST:

Finance Officer

(SEAL)

RAPID CITY ELKS LODGE NO. 1187

By: _____
Its: _____

State of South Dakota)

SS.

County of Pennington)

On this the ____ day of _____, 2002, before me, the undersigned officer, personally appeared Jerry Munson and James F. Preston, who acknowledged themselves to be the Mayor and Finance Officer, respectively, of the City of Rapid City, a municipal corporation, and that they as such Mayor and Finance Officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the City of Rapid City by themselves as Mayor and Finance Officer.

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

Notary Public, South Dakota

My Commission Expires:

(SEAL)

State of South Dakota)

SS.

County of Pennington)

On this the ____ day of _____, 19____, before me, the undersigned officer, personally appeared _____, who acknowledged himself to be the _____ of Rapid City Lodge No. 1187 of the Benevolent and Protective Order of Elks, a corporation, and that he, as such _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as _____.

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

Notary Public, South Dakota

My Commission Expires:

(SEAL)

Prepared By: CITY ATTORNEY'S OFFICE