

AGREEMENT BETWEEN CITY OF RAPID CITY AND MHL, LLC

This Agreement is made effective this _____ day of _____, 2011, by and between the City of Rapid City, a municipal corporation, of 300 Sixth Street, Rapid City, SD 57701, and MHL, LLC, a South Dakota limited liability company, of 606 Main Street, Rapid City, SD 57701.

WHEREAS, the City of Rapid City owns property legally described as follows:

**Lots 1-16 of Block 75, Original Town of Rapid City, Pennington County, South Dakota, and
Lots 17-23 of Block 75, Original Town of Rapid City, Pennington County, South Dakota; and**

WHEREAS, MHL, LLC owns property legally described as

Lots 24-32 of Block 75, Original Town of Rapid City, Pennington County, South Dakota; and

WHEREAS, an application is pending to vacate the alley right of way located between Lots 1-16 and Lots 17-32 of Block 75; and

WHEREAS, vacation of the right of way would result in the adjacent landowners gaining fee ownership of the underlying land up to the centerline of the current alley; and

WHEREAS, City wishes to gain fee ownership of the entire alley to enhance its Main Street Square project; and

WHEREAS, MHL, LLC has no desire to own the one-half of the alley adjacent to its property, but wishes to retain an easement for access to its property over and across the vacated alley; and

WHEREAS, the parties mutually desire to reduce their understandings and agreements to writing by executing this Agreement.

W I T N E S S E T H :

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and other good and valuable consideration, the receipt of which is hereby acknowledged, it is hereby agreed as follows:

1. Incorporation of Recitals. The aforementioned recitals are incorporated herein by reference as if more fully set forth hereinafter.

2. MHL Deed. MHL agrees that should the City vacate the right of way described above, it will promptly convey to City by quitclaim deed all of its right, title and interest in the vacated alley adjacent to its property. The conveyance would include prior portions of the alley previously vacated so as to encompass the entire south one-half of the vacated alley.

3. Access Easement. City agrees that upon gaining ownership of the south one-half of the alley by deed of MHL, it will execute an access easement to MHL over and across said alley.