

ASSIGNMENT AGREEMENT

This Agreement is entered into as of the dates set forth in the acknowledgments below by and between the **CITY OF RAPID CITY**, State of South Dakota, hereinafter referred to as "City," **BANKWEST Inc.** of Rapid City, South Dakota, hereinafter referred to as "Lender," and **ALTA TERRA DEVELOPMENT, LLC**, a South Dakota Limited Liability Company, hereinafter referred to as "Developer", the purpose of which is to set forth the Agreement between the parties as it relates to Tax Increment District Number Seventy (70).

WHEREAS, City has passed a Resolution Creating Tax Increment District Seventy (70) on September 15, 2008, a copy of said Resolution being attached hereto as Exhibit "A" and which is, by reference, incorporated herein; and

WHEREAS, the City approved the Project Plan for Tax Increment District Seventy (70) on February 6, 2012; and

WHEREAS, Developer and City have entered into a Contract for Private Development for Tax Increment District Number Seventy (70) on July 15, 2013, a copy of said contract being attached hereto as Exhibit "B" and which is, by reference, incorporated herein; and

WHEREAS, Developer has agreed to advance the funds necessary to accomplish the goals to be achieved by the Tax Increment Financing District Seventy (70) and the Contract for Private Development; and

WHEREAS, Lender has agreed to loan the funds to Developer to accomplish said purpose set forth in the Contract for Private Development on the condition that the future real estate taxes which are collected for the Tax Increment District Seventy (70) are paid directly by City to Lender, it is hereby agreed, as follows:

1. City will pay directly to Lender those real estate taxes collected which are subject to the Tax Increment District Seventy (70) and any properly revised project plan until the loan obligation incurred between Lender and Developer for purposes relating solely to the Tax Increment Financing District Seventy (70), and any properly approved revised project plan, are paid in full or the Tax Increment District is dissolved, whichever comes first. It is the specific intent of the parties that the City shall not be obligated to pay any sums to Lender other than the increment authorized by the Contract for Private Development and any revisions thereof and the increment generated by Tax Increment District Seventy (70) Any obligations the City has to Lender shall cease by the City's paying to Lender said increments authorized by the Contract for Private Development and any revisions thereof until the loan is satisfied or Tax Increment Financing District Seventy (70) is terminated, whichever comes first. Payments will be made at 311 Omaha Street, Rapid City, South Dakota 57701, or at a different place if required by the Lender.
2. Lender agrees that, provided City makes payment to Lender of all funds actually received or collected by City for Tax Increment District Seventy (70) and any properly approved and revised project plan that the City is obligated to pay under the Contract for Private Development, there is no liability by City for the loan obligation of Developer. Rather, should City have paid all funds set forth in the Contract for

Private Development and any revisions thereto, actually received or collected by City for Tax Increment District Seventy (70) and all amendments thereto, Lender shall look solely to its agreement with Developer and its guarantors, for any rights of recovery upon default, it being the specific intent of the parties that in the event that Tax Increment Financing District Seventy (70) is terminated before payment in full of the obligation to Lender is satisfied or in the event that the increments are insufficient to pay said obligation, Lender's sole recourse shall be against Developer and its guarantors and the City shall have no additional liability to Lender provided that City has made all payments required herein.

3. Upon reasonable request and notice, Lender agrees to provide financial reports to City and Developer to advise them of the on-going status of the loan obligation to Lender by Developer.
4. All parties to this Agreement acknowledge that in the event Developer makes any payments on the loan obligation to Lender for this Tax Increment District Seventy (70), said payments will not reduce the obligation of City to make the Tax Increment Financing District Seventy (70) and the revised project plan payments to Lender, pursuant to this Agreement, until the entire tax increment district obligation is paid in full. The parties acknowledge that Lender may use funds received from City from Tax Increment District Seventy (70) to reimburse Developer for payments it made on the loan obligation to Lender. If funds actually received or collected by City from Tax Increment District Seventy (70) are greater than what City is obligated to pay Lender pursuant to this Agreement, and if the District has not been dissolved, then City will pay Developer only for funds it expended pursuant to the Contract for Private Development that are beyond the loan agreement between Developer and Lender, which have not already been reimbursed by Lender. Said assignment shall continue until Lender Authority has been paid in full or Tax Increment Financing District Seventy (70) is dissolved, whichever comes first. Notwithstanding the foregoing, Lender, Developer and City all acknowledge that Lender shall be bound by the terms of the Contract of Private Development and the City's obligation for payment is limited to those amounts set forth in the Contract for Private Development.
5. Failure of a party to insist upon adherence to any term of this Agreement on any occasion shall not be considered a waiver, or deprive that party of the right thereafter to insist upon adherence to that term, or any other term of this Agreement.
6. If one or more provisions of this Agreement is declared invalid for any reason whatsoever by any competent court, such invalidity shall not affect any other section(s) or provision of this Agreement if they can be given effect without the invalid section(s) or provisions.
7. This Agreement constitutes the entire agreement of the parties. No other writings or negotiations are part of this Agreement. This Agreement may only be modified by mutual agreement of both parties. Any modifications or addendums to this Agreement must be in writing.

