AN AGREEMENT BETWEEN THE CITY OF RAPID CITY AND YASMEEN DREAM 2, L.L.C., TO EXCHANGE THE WALLY BYAM SITE FOR LAND ADJACENT TO THE RAPID CITY REGIONAL AIRPORT.

RECITALS

This Agreement is made and entered into by, and between, the City of Rapid City (the "City"), a municipal corporation of the State of South Dakota, located at 300 Sixth Street, Rapid City, South Dakota 57701, and Yasmeen Dream, L.L.C. ("Yasmeen Dream"), a South Dakota Corporation, located at 528 Kansas City Street, Suite 4, Rapid City, South Dakota 57701.

WHEREAS, the City owns real property along East Highway 44 at the intersection of Elk Vale Road (Highway 16B) which is commonly known as the Wally Byam site; and

WHEREAS, Yasmeen Dream owns real property immediately adjacent to Rapid City Regional Airport ("Airport"); and

WHEREAS, Yasmeen Dream has proposed exchanging with the City the land it owns adjacent to the Airport for the Wally Byam site; and

WHEREAS, the Airport Board of Directors passed a Resolution supporting the proposed transfer on October 23, 2012; and

WHEREAS, acquisition of the Yasmeen Dream property would connect the Airport with other City owned land adjacent to Radar Hill Road and would have future economic development potential including the possibility of providing a location for a free trade zone; and

WHEREAS, the Wally Byam property has been listed for sale by the City since 2009; and

WHEREAS, the City is interested in exchanging the portion of the Wally Byam site located outside of the 100 year flood plain adjacent to Rapid Creek for the property owned by Yasmeen Dream,

WHEREAS, SDCL 6-5-4 authorizes the City to exchange real property with a private land owner upon completion of an appraisal under such terms and conditions as the City deems appropriate; and

WHEREAS, the parties have had the two properties appraised by an appraiser licensed in South Dakota; and

WHEREAS, the City Council finds that it is in the best interests of the City to exchange the Wally Byam site for land of an equal value owned by Yasmeen Dream.

NOW THEREFORE, the parties hereby covenant and agree as follows:

1. Yasmeen Dream will transfer to the City fee title for approximately 138.24 acres of land and an H Lot consisting of approximately 5 acres of land from a portion of the property it owns immediately west of Rapid City Regional Airport. The land from which this transfer will be made is legally described as:

> The NE1/4NE1/4; S1/2NE1/4; 1 acre in NE1/4NW1/4; SE1/4NW1/4; Pt. of NE1/4SW1/4 and Pt. OF SW1/4SE1/4, Less Lot H2, Both N of RR; N1/2SE1/4 including 0.5 acres for school in SE1/4NE1/4 Less ROW, T1N, R9E, Section 19, BHM, Pennington County, South Dakota.

A portion of the property being transferred was appraised by a licensed appraiser in July of 2012. The appraised value of the above described property was determined to be $8,734.18 per acre. The land the parties intend to transfer pursuant to this Agreement is shown on Exhibit A which has been attached hereto and is hereby incorporated into this Agreement. Yasmeen Dream and the City will need to prepare a metes and bounds description for the land being transferred. The cost of any surveying necessary to determine the metes and bounds description of the larger parcel will be paid by Yasmeen Dream. The transfer of this property will occur via a warranty deed provided at the time of closing.

2. In addition to the 138 acres described above, Yasmeen Dream agrees to transfer an H Lot by which the City can access the property being transferred off of Airport Road. This transfer will be done as a donation by Yasmeen Dream to the to the City and is technically separate from the transfer of the property described in paragraph 1 in exchange for the property described in paragraph 4. In exchange for this donation, the City agrees to provide Yasmeen Dream, or its successors in interest access to Airport Road across the H Lot. The land being donated as an H Lot is also shown in Exhibit A. The City will be responsible for preparing and filing the exhibit for the H Lot. The transfer of the H Lot will occur via a warranty deed provided at the time of closing.

3. Yasmeen Dream also agrees to provide the City, or any of the City's successors in interest, access to the land being transferred off of South Dakota Highway 44. The City's access will be at the two access points along Highway 44 the location of which the State and Yasmeen Dream have already negotiated and agreed to. The right to access will be in the form of two 68' wide access easements located generally on a north to south line from the agreed upon access points along Highway 44 to the land being transferred to the City. If the City, or a subsequent purchaser, makes improvements to implement the rights granted by the easement, the parties will negotiate the exact location of the improvements and any provisions for sharing of the cost of such improvements at that time. The parties anticipate that in the future public right of way will be dedicated and improved from the two points of access off of Highway 44 and provide access to the City's land as well as to Yasmeen Dream's remaining land. At the time that a permanent improvement which provides access to the City land from the two access points off of Highway 44, or permanent access to the City land is otherwise provided for by an additional agreement of

the parties, the City will release any access easements across the balance of Yasmeen Dream's property which are outside the dedicated right of ways. The City shall provide Yasmeen Dream with a utility easement for water and other utilities located north of the subject property across the land being transferred to the City to service the balance of the property being retained by Yasmeen Dream. The parties will work together to determine the exact location of the easement and the City will not unreasonably withhold approval of a suitable location proposed by Yasmeen Dream.

4. The City agrees to transfer the land, commonly known as the Wally Byam site, in exchange for the promises Yasmeen Dream has made herein. The transfer includes all of the City's rights, title and interest to the portion of the property designated as the Lytle Life Estate. The descriptions of the properties to be transferred are as follows:

> The S1/2SW1/4NE1/4 Less Lot H1; S1/2SE1/4NW1/4SW1/4; and W1/2SE1/4, Less Tract A of the E1/2SW1/4 and the W1/2SE1/4, Section 9 T1N, R8E, Less Lot H1 in the NE1/4SW1/4 of Section 9, Less Lot H1 in the S1/2SE1/4NW1/4 of Section 9, Less Lot H2 in the SE1/4SW1/4NE1/4 of Section 9, Less Lot 1 Wally Byam Add., Section 9, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota.
>
> Lot 1, Wally Byam Add., Rapid City, Pennington County, South Dakota.
>
> The Balance of Tract A of the E1/2SW1/4 and of W1/2SE1/4, Less Lot H1, T1N, R8E, Section 9, BHM, Rapid City, Pennington County, South Dakota.
>
> Lot 2 of Tract A of the NW1/4SW1/4, T1N, R8E, Section 9, Rapid City, Pennington County, South Dakota.

The value of the above property was determined to be $1,245,000 based on an appraisal conducted in July of 2012. Of this property, the City will retain a portion of the property that will cover the 100 year flood plain along Rapid Creek. The City will prepare and file a plat for the land being retained. The land being retained is shown on Exhibit B as Lot H, which is attached hereto and is hereby incorporated into this Agreement. The parties anticipate that Yasmeen Dream, and its successors in interest will provide a future bike/pedestrian path connection between any bike/pedestrian trails developed along Rapid Creek and Highway 44 or the railroad right of way along Highway 44. The location of the bike/pedestrian connection to be provided shall be in the sole discretion of Yasmeen Dream as suitable and fitting to the ultimate development plan of the property. The transfer of this property will occur via a warranty deed provided at the time of closing.

5. The parties acknowledge that the City has an adopted policy to retain ownership of any land in its possession which is located within the 100 year flood plain. The parties further acknowledge that some of the land being transferred pursuant to this Agreement is within the 100 year flood plain, including land which is currently part of the Lytle Life Estate. On the

property included in the life estate, Yasmeen Dream, or any subsequent purchaser, shall transfer to the City any remaining land located within the 100 year flood plain along Rapid Creek upon the expiration of the life estate. The City agrees to work with Yasmeen Dream or its successors in interest to prepare plats or other documents to effectuate transfer of the 100 year flood plain to the City. The flood plain located on the land being transferred outside the life estate is associated with a drainage running from the north end of the property to the south end of the property and is not adjacent to Rapid Creek. The intent of the parties is that Yasmeen Dream, or a subsequent purchaser, have the ability to seek revisions to the Flood Insurance Rate Map (FIRM) through the process established by FEMA in accordance with all Federal, State and City regulations and rules in order to maximize the development potential of the balance of the site. Once the revision to the FIRM map is final, Yasmeen Dream, or any subsequent purchaser of the land, agrees to transfer any portion of the properties described in paragraph 3 of this Agreement which still remains within the 100 year flood plain back to the City. The transfer of the flood plain back to the City will be considered a donation to the City and the City agrees to facilitate the transfer of the land back to the City so that the transfer is treated as such. Yasmeen Dream and its successors in interest agree to disclose the requirement to transfer the land within the 100 year flood plain back to the City to any subsequent purchaser. The parties acknowledge that the obligations under this paragraph are specifically enforceable in addition to any other remedies the party may have.

6. The parties will schedule closing within thirty (30) days of approval of this Agreement unless the time is extended by mutual agreement of the parties. Any closing costs will be split equally between the parties. Yasmeen Dream will satisfy any mortgages or other encumbrances on the property being transferred to the City at, or before closing.

7. Yasmeen Dream warrants that it has, or will have prior to the date of closing, good and merchantable title to all of the property described in paragraph 1 of this Agreement according to the title standards adopted by the State of South Dakota, subject only to such easements, covenants, rights-of-way, restrictions and reservations as are acceptable to the City. The City warrants that it has, or will have prior to the date of closing, good and merchantable title to all of the property described in paragraph 4 of this Agreement according to the title standards adopted by the State of South Dakota, subject only to such easements, covenants, rights-of-way, restrictions and reservations as are acceptable to Yasmeen Dream.

8. The parties shall request a Commitment for Title Insurance, which shall be delivered to the parties at least fourteen days prior to closing. If either party has any objections to the title of said property it shall provide notice of said objection at least seven days prior to closing. If neither party provides notice that it objects to the Commitment for Title Insurance, then it will be presumed the parties will accept title to said property as provided in the Commitment for Title Insurance, subject to the satisfaction of any mortgages and other encumbrances and payment of taxes as provided herein, all to be accomplished at closing. The parties shall obtain a policy of title insurance in conformance with the title required herein in an amount equal to the purchase

price agreed upon for the real properties described herein. A copy of said policy shall be delivered to the parties for examination within thirty days after the date of closing.

9. A portion of the land which the City is transferring to Yasmeen Dream is subject to a Real Estate Listing Agreement with Ken Kirkeby. Yasmeen Dream agrees at the time of closing to pay the commission on the land subject to the listing agreement as amended. The estimated cost of the commission has been subtracted from the value of the City property for purposes of calculating how much land Yasmeen Dream is required to transfer.

10. All taxes and other assessments on the property being transferred to the City for the year 2012 and any prior years shall be paid by Yasmeen Dream at or before closing. All taxes and other assessments on this property for the year 2013 shall be prorated to the date of closing. Yasmeen Dream warrants there are no unpaid assessments, recorded or unrecorded, on the property being transferred to the City.

11. 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.

12. 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.

13. 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.

14. This Agreement shall be deemed to be prepared jointly by the parties hereto and neither shall be deemed to be its sole author. In the event of any claim of ambiguity, no provision shall thereby be construed against either party.

15. The parties' rights and obligations under this Agreement shall be governed by, and construed in accordance with, the laws of the State of South Dakota. Any dispute concerning this Agreement shall be venued and litigated in the Circuit Court for the Seventh Judicial Circuit, located in Rapid City, Pennington County, South Dakota.

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Dated this ___ day of February, 2013.

CITY OF RAPID CITY

_____
Sam Kooiker, Mayor

ATTEST:

_____
Pauline Sumption, Finance Officer

YASMEEN DREAM, L.L.C.

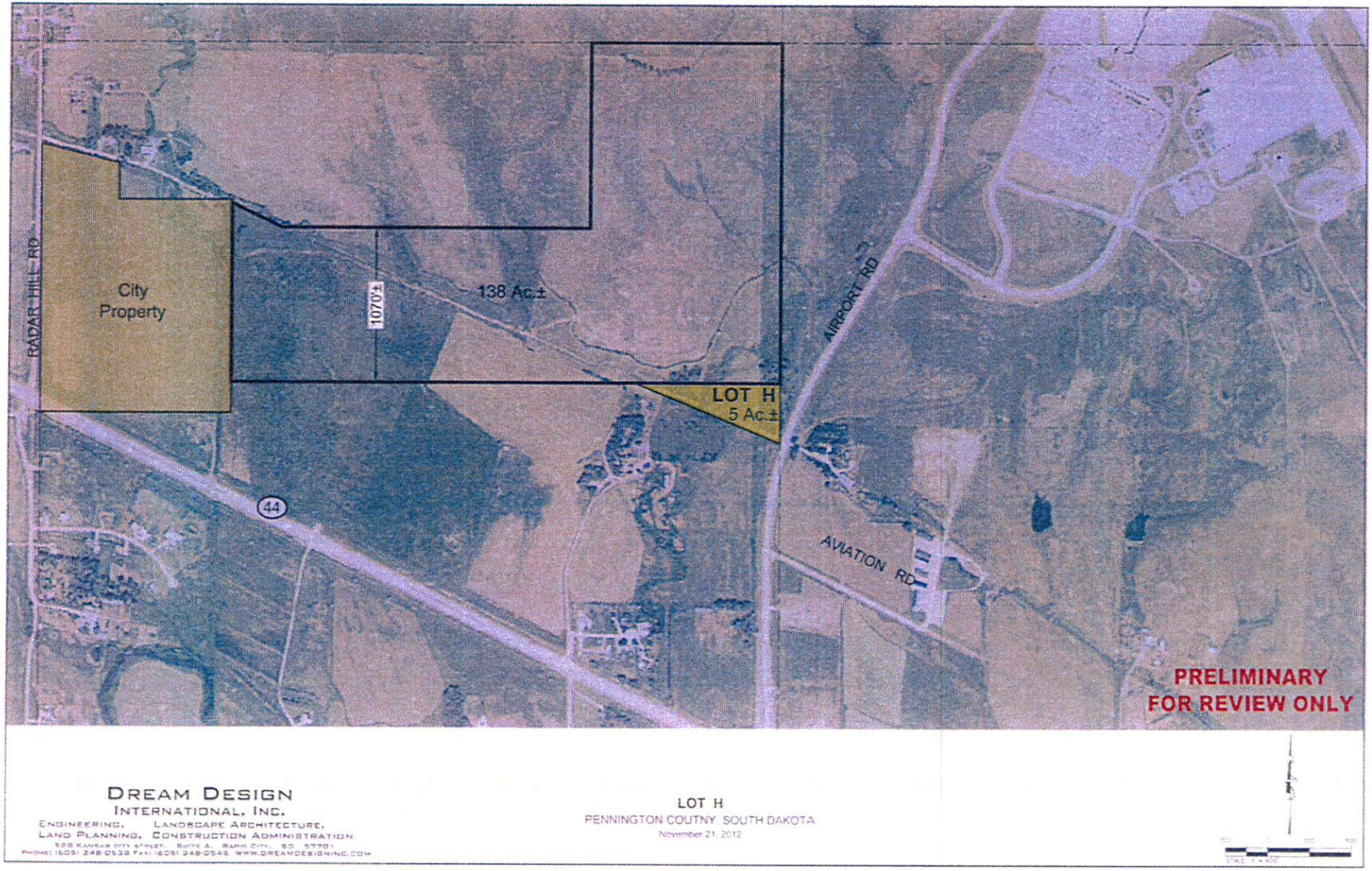
_____
Hani Shafai, Managing Partner

STATE OF SOUTH DAKOTA)
)ss.
COUNTY OF PENNINGTON)

On this _____ day of _____, 2013, before me, the undersigned officer, personally appeared Hani Shafai, who acknowledged himself to be the managing partner of Yasmeen Dream, 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, State of South Dakota
[SEAL] My Commission Expires:_____



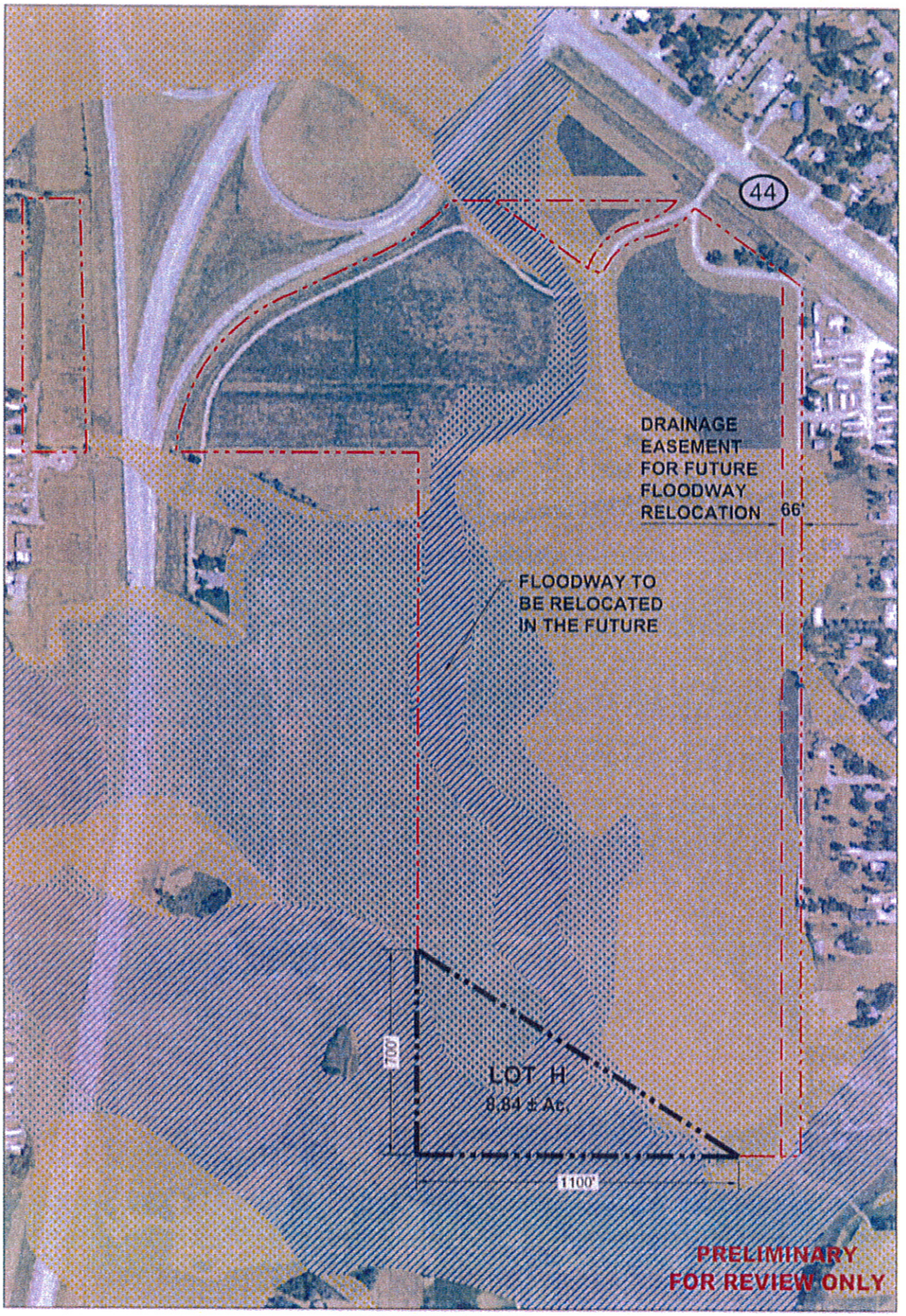
DREAM DESIGN
INTERNATIONAL, INC.
ENGINEERING, LANDSCAPE ARCHITECTURE,
LAND PLANNING, CONSTRUCTION ADMINISTRATION

528 KANSAS CITY STREET, SUITE 4, RAPID CITY, SD 57701
PHONE: (605) 348-0538 FAX: (605) 348-0548 WWW.DREAMDESIGNINC.COM

LOT H
PENNINGTON COUTNY, SOUTH DAKOTA
November 21, 2012

EXHIBIT "A"

16TIF002 - Wally Byam Purchase Agreement



WALLY BYAM PROPERTY
RAPID CITY, SOUTH DAKOTA
November 21, 2012

EXHIBIT "B"

LEGEND
100Year
500 Year
X protected by levee
FLOODWAY

DREAM DESIGN
INTERNATIONAL, INC.
ENGINEERING, LANDSCAPE ARCHITECTURE,
LAND PLANNING, CONSTRUCTION ADMINISTRATION
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