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GROUND LEASE ESTOPPEL CERTIFICATE AND AGREEMENT

This GROUND LEASE ESTOPPEL CERTIFICATE AND AGREEMENT (the “Agreement”) is made and entered into as of the ___day of _____, 2017, by and between LESTER HOSPITALITY – RAPID CITY, LLC (formerly Steven C. Lester, LLC), a South Dakota limited liability company, with an address of 505 North Fifth Street, Rapid City, South Dakota 57701 (hereinafter “Lessee”), and GREAT WESTERN BANK, with an address of 14 St. Joseph Street, P.O. Box 2290, Rapid City, South Dakota 57709 (hereinafter “Lender”), and CITY OF RAPID CITY, SOUTH DAKOTA, with an address of 300 Sixth Street, Rapid City, South Dakota 57701 (hereinafter “Lessor”).

Recitals

Whereas, City of Rapid City, South Dakota, as Lessor, and Civic Center Associates, as Lessee, entered into a Ground Lease Agreement dated January 23, 1987, which Ground Lease was filed February 10, 1989, in Book 36 of Miscellaneous Records on Page 2168, which Ground Lease was amended by Amendment to Ground Lease Agreement dated January 1, 1988, executed by the City of Rapid City, South Dakota, as Lessor, and Civic Center Associates, as Lessee, which amendment was filed February 10, 1989, in Book 36 of Miscellaneous Records on Page 2209 and thereafter assigned by Assignment, Consent to Assignment and Guaranty of Ground Lease Agreement dated August 16, 2004, and effective July 30, 2004, executed by Civic Center Associates, as assignor, to Steven C. Lester, as assignee, which assignment was filed August 24, 2004, and recorded in Book 135, Page 6393, and thereafter assigned by Assignment, Consent to Assignment and Guaranty of Ground Lease Agreement dated August 24, 2007, executed by Steven C. Lester, as assignor, to Steven C. Lester, LLC, as assignee, which assignment was filed November 7, 2007, in Book 174, Page 8522, and thereafter amended by Second Amendment to Ground Lease Agreement dated November 8, 2007, between City of Rapid City, as Lessor, and Steven C. Lester, LLC, as Lessee, which second amendment was filed November 21, 2007, in Book 175 at Page 2236, and thereafter amended by Third Amendment to Ground Lease Agreement dated _____, 2017, and recorded as Doc. #__ _____ on _____, 2017 (hereinafter collectively the “Ground Lease”), covering a certain premises therein described located on a parcel of real estate, a legal description of which is attached hereto and incorporated herein by this reference as Exhibit “A” (said parcel of real estate and the premises being sometimes collectively referred to herein as the “Property”); and

Whereas, Steven C. Lester, LLC changed its name to Lester Hospitality-Rapid City, LLC by Articles of Amendment dated September 22, 2011, and Certificate of Amendment issued September 23, 2011; and

Whereas, Lessee is or will become indebted to Lender as evidenced by a Promissory Note secured by various loan documents (the "Loan Documents"), including a Mortgage dated September ____, 2017, which Mortgage was recorded on September ____, 2017, as Doc. #_____ which encumbers Lessee's interest in the Ground Lease and its interest in the Property as Lessee under the Ground Lease; and

Whereas, This Agreement is executed and delivered by Lessor in accordance with Section 12.8 of the Ground Lease and with the expectation that it will be delivered to Lender in connection with the loan to be made by Lender to Lessee which loan will be secured by the Mortgage described above encumbering Lessee's interest in the Property and with the recognition that Lender will rely upon the contents hereof in closing and consummating the loan.

Now, therefore, for and in consideration of the mutual covenants and premises herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed by the parties hereto, the parties hereto do hereby agree as follows:

Agreement

1. Ground Lease. Pursuant to the terms of the Ground Lease, Lessor has leased to Lessee and Lessee has leased from Lessor, the Property. The Ground Lease, as defined above, is in full force and effect and other than as recited above, has not been modified, supplemented, or amended, orally or in writing. Except for the Ground Lease, there are no agreements between Lessor and Lessee in any way concerning the subject matter of the Ground Lease or the occupancy or use of the Property. To the knowledge of Lessor, the interests of Lessee under the Ground Lease have not been assigned except as recited above and no portion of the property has been sublet. The interests of Lessor under the Ground Lease have not been assigned.

2. No Defenses or Offsets by Lessee. As of the date hereof, all conditions and obligations under the Ground Lease to be satisfied or performed by Lessor have been satisfied or performed. As of the date hereof, Lessee does not assert, and is not entitled to assert, any claim against Lessor or any defense to or offset against the enforcement of the Ground Lease by Lessor.

3. No Defenses or Offsets by Lessor. As of the date hereof, all conditions and obligations under the Ground Lease to be satisfied or performed by Lessee have been satisfied or performed. As of the date hereof, Lessor does not assert, and is not entitled to assert, any claim against Lessee or any defense to or offset against the enforcement of the Ground Lease by Lessee.

4. Lease Term; Options. Under the Third Amendment to Ground Lease Agreement, after the expiration of the current extended term of the Ground Lease which is set to expire on December 31, 2029, Lessee shall have the right and option to extend the Ground Lease for eight (8) renewal terms of ten (10) years each, plus a final five (5) year term. Each such option shall be

exercised by Lessee giving written notice thereof to Lessor not less than one (1) year prior to expiration of the then current extended term, time being of the essence thereof. Lender consents to the Third Amendment to the Ground Lease Agreement.

5. Rent. The Guaranteed Annual Rent for the current year is \$55,000 payable quarterly each January 1, April 1, July 1 and October 1. Additional Rent of 1% of the gross room rentals above \$5,000,000 is paid for each calendar year. No rents are past due.

6. Deposits. Lessee does not make any type of escrow deposits with Lessor, and Lessor does not hold any type of deposit from Lessee (for security or otherwise).

7. No Bankruptcy. No bankruptcy proceedings, whether voluntary or otherwise, are pending, or to Lessor's knowledge, threatened, against Lessor.

8. Fee Encumbrances. The fee interest in the Property is not encumbered. No third party has any option or other right to purchase all or any portion of the Property. Lessor agrees that if it elects to encumber the fee interest in the Property, Lessor will cause any such lender to enter into an agreement with Lender that is reasonably satisfactory to Lender to evidence the subordination of any lien relating thereto to the lien created by the Mortgage and to Lessee's interest in the Ground Lease.

9. No Violations; Condemnation. Lessor has not received any written notice of any pending eminent domain proceedings or other governmental or judicial actions that could affect the Property. Lessor has not received any written notice that is in violation of any law applicable to the Property (including, but not limited to, any environmental law or the Americans with Disabilities Act).

10. Notice and Cure Rights. If Lessee shall be in default in the observance or performance of any covenant in the Ground Lease beyond any applicable period of grace therein, Lessor shall send written notice of such default to Lender at such address as has been designated by notice to Lessor. Lender shall have thirty (30) days after delivery of such written notice from Lessor within which to cure or remove such default except that, if such default cannot, with diligence, be cured within such 30-day period, Lender shall have a reasonable time thereafter to effect a cure, provided that such parties, or one of them, proceed promptly to cure the same and thereafter prosecute the curing of such default with diligence. Lessor shall not have any right, pursuant to the Ground Lease or otherwise, to terminate the Ground Lease due to such default unless Lessor shall have first given written notice thereof to Lender and unless Lender shall have failed to cure or remove, or cause to be cured or removed, such default within the time required by this Section 10. Lessor acknowledges and agrees that the cure of certain defaults may require possession or control of the Property, and the exercise of rights and remedies under the Mortgage shall constitute diligent action by Lender to cure the default. Any notice, demand, request or other instrument given by Lessor to Lender shall be delivered to Lender at the address specified below.

11. Leasehold Mortgage. Lessee shall have the right to encumber its leasehold interest in the Property under the Mortgage and Lender shall have all of the rights provided to a

leasehold mortgagee under the Lease, specifically including all rights afforded Protected Parties under Section 11.8 of the Ground Lease. In addition to the foregoing, Lender shall have the right to foreclose upon the leasehold estate pursuant to the terms of the Mortgage and if Lender or another third party ("Acquiring Party") acquires title to the leasehold estate pursuant to a foreclosure sale or a deed in lieu of foreclosure, said Acquiring Party shall be recognized and considered as the lessee under the Ground Lease and shall have all of the rights and benefits of Lessee thereunder.

12. New Lease with Lender. If the Ground Lease is terminated for any reason, including, but not limited to, a rejection of the Ground Lease in connection with a bankruptcy of Lessee, Lessor shall, following the then applicable approval process for the leasing of public property in Rapid City, which Lessor shall pursue with reasonable diligence, enter into a new ground lease with Lender, in accordance with Section 11.8 and any other applicable provisions of the Ground Lease.

13. No Amendment; Termination. Except as set forth below, Lessor shall not modify or amend any of the terms or provisions of the Ground Lease, terminate the Ground Lease or accept a surrender thereof, unless the prior written approval of Lender has been obtained, and agrees that no such termination, surrender, amendment, restatement, modification or subordination of the Ground Lease shall be binding on Lender without its prior written consent. The foregoing limitation shall not, however, limit Lessor's right to terminate the Ground Lease, either as set forth in the Ground Lease or pursuant to applicable law.

14. Insurance and Condemnation Proceeds. So long as the Loan remains outstanding, the provisions of the Mortgage shall govern the distribution of insurance proceeds and condemnation proceeds as provided in Sections 7.4 and 9.2 of the Second Amendment to Ground Lease Agreement.

15. Personal Property and Subleases Subordinate. Lessor's Interest, if any, in and to any personal property owned by Lessee and located at the Property and any subleases entered into by Lessee for all or any portion of the Property and the rents, issues and profits therefrom are and shall remain subordinate to the lien of the Mortgage.

16. All notices which may or are required to be sent under this Agreement shall be in writing and shall be sent by first class certified U.S. mail, postage prepaid, return receipt requested, and sent to the party at the address appearing below or such other address as any party shall hereafter inform the other party by written notice given as set forth above:

Lessee: Lester Hospitality – Rapid City, LLC
505 North 5th Street
Rapid City SD 57701

Lender: Great Western Bank
14 St. Joseph St., P.O. Box 2290
Rapid City SD 57709

Lessor: City of Rapid City
Attention: City Attorney Office
300 Sixth Street
Rapid City SD 57701

All notices delivered as set forth above shall be deemed effective three (3) days from the date deposited in the U.S. mail.

IN WITNESS WHEREOF, the parties hereto have caused this Ground Lease Estoppel Certificate and Agreement to be executed as of the day and year first above written.

Lessee:

LESTER HOSPITALITY – RAPID CITY, LLC
(formerly Steven C. Lester, LLC)

Lender:

GREAT WESTERN BANK

By _____
Its _____

By _____
Its _____

Lessor:

CITY OF RAPID CITY

By _____
Steve Allender, Mayor

ATTEST:

Pauline Sumption, Director, Finance Office

State of South Dakota,)
) ss.
County of Pennington.)

ON THIS DAY, _____, 2017, before me, the undersigned officer, personally appeared _____, who acknowledged him/herself to be _____ of LESTER HOSPITALITY – RAPID CITY, LLC (formerly Steven C. Lester, LLC), a South Dakota limited liability company, and that he/she, as such _____, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the South Dakota limited liability company by him/herself as _____.

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

(SEAL)

Notary Public
My Comm. Expires: _____

State of South Dakota,)
) ss.
County of Pennington.)

ON THIS DAY, _____, 2017, before me, the undersigned officer, personally appeared _____, who acknowledged him/herself to be _____ of GREAT WESTERN BANK, and that he/she, as such _____, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of GREAT WESTERN BANK by him/herself as _____.

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

(SEAL)

Notary Public
My Comm. Expires: _____

State of South Dakota,)
) ss.
County of Pennington.)

ON THIS DAY, _____, 2017, before me, the undersigned officer, personally appeared Steve Allender, who acknowledged himself to be Mayor of CITY OF RAPID CITY, and that he, as such Mayor, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of CITY OF RAPID CITY by himself as Mayor.

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

(SEAL)

Notary Public
My Comm. Expires: _____

State of South Dakota,)
) ss.
County of Pennington.)

ON THIS DAY, _____, 2017, before me, the undersigned officer, personally appeared Pauline Sumption, who acknowledged herself to be Director of the Finance Office of CITY OF RAPID CITY, and that she, as such Director of the Finance Office, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing her name as Director of the Finance Office of CITY OF RAPID CITY.

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

(SEAL)

Notary Public
My Comm. Expires: _____

EXHIBIT A

LEGAL DESCRIPTION

Hotel Lot of Lot ER, Formerly Lot E of Portions of Blocks 3, 4, 5, 6, 13, 24, 25, 26 and adjacent Vacated Alleys and Streets, All in the Original Townsite of Rapid City, Pennington County, South Dakota.