

**SOUTH DAKOTA BOARD OF REGENTS**

**Budget and Finance**

**AGENDA ITEM: 7 – G**  
**DATE: December 11-12, 2024**

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**SUBJECT**

**SDSU Master Ground Lease Amendment**

**CONTROLLING STATUTE, RULE, OR POLICY**

[BOR Policy 5.3](#) – Agreements and Contracts

**BACKGROUND / DISCUSSION**

South Dakota State University (SDSU) requests that the Board authorize an amendment to the Master Ground Lease between the SDBOR and the South Dakota State College Development Association. The lease was executed in June 2010 for the purpose of the association developing a residential site for fraternities and sororities at South Dakota State University. The lease has been amended on four previous occasions since 2010, most recently in [October 2021](#), to clarify the rights and obligations of sublessees and to amend the legal description of the property subject to the lease. The current proposed amendment requests to amend the legal description of property subject to the lease for the purpose of removing empty lots from the leased premises in order to convert those lots into parking.

The existing property description is: Lot 1, Block One and Lots 3, 4, 5, 106, 107, 8 and 9, Block 2 in University First Addition and Lots 3, 4A and 5A, Block 1 in State Village Addition. SDSU proposes to remove four (4) lots from this description. The amended description would be: Lot 1, Block One and Lots 3, 4, 5, 106, 107, 8 and 9, Block 2 in University First Addition and Lot 5A, Block 1 in State Village Addition

**IMPACT AND RECOMMENDATIONS**

Aside from the amended property description, the amendment does not impact the remaining provisions of the lease.

Staff recommends approval.

**ATTACHMENTS**

Attachment I – Draft Fifth Amendment to the Master Ground Lease (SDSU)

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**DRAFT MOTION 20241211\_7-G:**

I move to approve the Fifth Amendment to the Master Ground Lease between the Board and South Dakota State College Development Association, included as Attachment I; and to authorize the Executive Director to execute any additional documents or actions necessary to effectuate the foregoing.

## FIFTH AMENDMENT TO MASTER GROUND LEASE

On June 25, 2010, the South Dakota Board of Regents and the South Dakota State College Development Association entered into a Master Ground Lease to facilitate development of a residential site for fraternities and sororities at South Dakota State University (“Master Ground Lease”). On August 12, 2010, the parties entered into a First Amendment to the Master Ground Lease in order to clarify provisions relating to the rights and obligations of Sublessees whose tenancy may be affected by circumstances affecting their organizational status and to assure that non-disturbance agreements may survive termination of the Master Ground Lease by mutual agreement. On December 17, 2010, the parties entered into a Second Amendment to the Master Ground Lease in order to clarify provisions relating to the rights and obligations of Sublessees under clauses stating requirements for indemnification, liability insurance and waivers of subrogation. On April 2, 2015, the South Dakota Board of Regents approved a Third Amendment to the Master Ground Lease but that Third Amendment was not executed. On August 14, 2017, the parties entered into a Revised Third Amendment to Master Ground Lease. On April 22, 2022, the parties entered into a Fourth Amendment to the Master Ground Lease. The South Dakota Board of Regents and the South Dakota State College Development now amend the Master Ground Lease to revise the definition of “Leased Premises” and the parties agree the following enumerated sections of the Master Ground Lease shall read as follows:

**Section 1.2 Parties to the Lease:** shall remain unchanged except that the real property described hereafter is revised and shall amend the definition of “Leased Premises” as follows:

LOT 1, BLOCK 1, AND LOTS 3, 4, 5, 106, 107, 8 & 9, BLOCK 2, UNIVERSITY  
FIRST ADDITION AND LOT 5A, BLOCK 1, STATE VILLAGE ADDITION, IN  
THE SW ¼ OF THE SE ¼ OF SECTION 24, T110N, R50W OF THE 5<sup>th</sup> P.M., CITY  
OF BROOKINGS, BROOKINGS COUNTY, SOUTH DAKOTA

IN WITNESS HEREOF, the Lessor and Lessee have signed and sealed this lease effective the day and year first above written.

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**SOUTH DAKOTA BOARD OF REGENTS**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

ACKNOWLEDGEMENT

STATE OF SOUTH DAKOTA )  
: SS  
COUNTY OF \_\_\_\_\_)

I, \_\_\_\_\_, a Notary Public in and for said County and State, do hereby certify \_\_\_\_\_, of the South Dakota Board of Regents to be the person whose name is subscribed to the within instrument, and personally came before me this day and acknowledged that they are the \_\_\_\_\_ of the South Dakota Board of Regents, and by authority duly given and as the act of deed of said entity. IN WITNESS HEREOF, I have hereunto set my hand and official Notarial Seal, this the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

(SEAL)

\_\_\_\_\_  
Notary Public – State of South Dakota  
My Commission Expires: \_\_\_\_\_

**SOUTH DAKOTA STATE COLLEGE DEVELOPMENT ASSOCIATION**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

ACKNOWLEDGEMENT

STATE OF SOUTH DAKOTA )  
: SS  
COUNTY OF \_\_\_\_\_)

I, \_\_\_\_\_, a Notary Public in and for said County and State, do hereby certify \_\_\_\_\_, of the South Dakota State College Development Association to be the person whose name is subscribed to the within instrument, and personally came before me this day and acknowledged that they are the \_\_\_\_\_ of the South Dakota State College Development Association, and by authority duly given and as the act of deed of said entity. IN WITNESS HEREOF, I have hereunto set my hand and official Notarial Seal, this the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

(SEAL)

\_\_\_\_\_  
Notary Public – State of South Dakota  
My Commission Expires: \_\_\_\_\_