

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, JULY 14, 2021, 10:00 A.M., CT**

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**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, JULY 14, 2021, 10:00 A.M., CT**

**Motion Sheet**

(STAFF RECOMMENDATIONS)

Please note times:

Call To Order: \_\_\_\_\_

Executive Session \_\_\_\_\_

Regular Session \_\_\_\_\_

Adjournment \_\_\_\_\_

**Board  
Members:**

*Jeff Erickson*

*Matt Judson*    **Agenda**

Motion to approve the agenda as presented.

*Sharon  
Casey*

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

*Mike Luken*

**Minutes**

*Ted Husted*

Motion to approve the minutes of the meetings held May 26, 2021, June 9, 2021 and July 6, 2021, as presented

*Don  
Kettering*

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

*Tom Jones*

**Conflicts of Interest Disclosures**

*Reed Kessler*

**Public Comments**

*Joy Nelson*

**Clausen and Rice, Inc. Accounting Contract**

*Eric Yunag*

Motion to approve the Clausen and Rice, Inc. contract for accounting services as presented.

*Pat Burchill*

*Kevin  
Tetzlaff*

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

*David Emery*

**WM3D SD Properties, LLC**

Motion to approve entering into the listing agreement as presented.

**Non-Voting**

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

*Senator  
Reynold  
Nesiba*

**Commissioners Comments**

*Senator  
Casey  
Crabtree*

**Executive Session**

Motion to enter into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

*Representative  
Jennifer Keintz*

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

*Representative  
Kent Peterson*

**Chairman: Declare board out of executive session. [        a.m.]. Chairman: The BED entered into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.**

**Motion to approve the chairman's report from executive session.**

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Old Business**

**Clark County**

Motion to approve an extension of the grant agreement until December 9, 2021, retroactive to December 9, 2020.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Plainview Dairy, LLC**

Motion to approve extending the construction commencement date to January 19, 2022.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Redstone Feeders, LLC**

Motion to approve extending the construction commencement date to February 12, 2022.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**The Plains Apartments, LLC**

Motion to approve the changes as presented.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**New Business**

**Albany Farms, LLC**

Motion to approve the waiver for a loan over \$1,000,000 and a loan request from Albany Farms, LLC in the amount of \$4,500,000. Secured by a sole first position on equipment and personal and corporate guaranties of all owners and LLC's with 10% or more ownership.

The loan is approved according to the terms and conditions of the commitment letter; all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Reinvestment Payment Program**

**Brightmark Full Circle RNG LLC**

Motion to approve the Reinvestment Payment Program grant application to Brightmark Full Circle RNG LLC as recommended by staff.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$746,650 but not to exceed the State Sales/Use Tax paid on eligible project costs, is approved for Brightmark Full Circle RNG LLC. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is

authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Brightmark Mill Valley RNG LLC**

Motion to approve the Reinvestment Payment Program grant application to Brightmark Mill Valley RNG LLC as recommended by staff.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$386,459 but not to exceed the State Sales/Use Tax paid on eligible project costs, is approved for Brightmark Mill Valley RNG LLC. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59 and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**South Dakota Jobs Program**

**Red's All Natural, LLC**

Motion to approve the South Dakota Jobs Program grant application to Red's All Natural, LLC as recommended by staff.

Having considered the applicable factors and the likelihood the project would not occur in South Dakota without a grant, a South Dakota Jobs grant in the amount of \$13,837.50, but not to exceed 75% of the State Sales and Use Tax paid on eligible equipment costs, is approved for Red's All Natural, LLC. The project as completed must be substantially similar to the project described in the application and must comply with the applicable deadlines and requirements set forth in statute and administrative rule.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

**Adjourn**

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_.

A

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, JULY 14, 2021, 10:00 A.M., CT**

***The public may participate by the following:***

Call In Number: (669) 900-9128    Meeting ID: 96677988449    Participant Id: #    Passcode: 421401

<https://state-sd.zoom.us/j/96677988449?pwd=S1I2bW5wRkd6OWJmVjUza0N2K1pDQT09>

[www.zoom.com](http://www.zoom.com)    Meeting ID: 96677988449    Passcode: 421401

**REGULAR SESSION AGENDA**

10:00 A.M.                    Call to Order, Chairman Jeff Erickson

10:05 A.M.                    **Agenda**  
RECOMMENDED ACTION: Motion to approve the agenda as provided or amended.

**Minutes**  
RECOMMENDED ACTION: Motion to approve the minutes of May 29, 2021 and June 9, 2021 and July 6, 2021, as presented.

**Conflicts of Interest Disclosures**

**Public Comments**

**Clausen and Rice, Inc. Accounting Contract**  
RECOMMENDED ACTION: Motion to approve the Clausen and Rice, Inc. Accounting Contract as presented.

**WM3D SD Properties, LLC**  
RECOMMENDED ACTION: Motion to approve entering into the listing agreement as presented.

**Monthly Financials**  
RECOMMENDED ACTION: No action taken.

10:15 A.M.                    **Commissioner's Comments**

10:20 A.M.                    **Executive Session**  
RECOMMENDED ACTION: Motion to enter into executive session to discuss contract matters and commercial and financial information relating to loan and other assistance applicants. SDCL 1-25-2(4) and 1-16G-11

11:00 A.M.                    **Report from Executive Session**  
RECOMMENDED ACTION: Approve Chairman's report from Executive Session.

**Other Motions**  
Clark County  
Plainview Dairy, LLC  
Redstone Feeders, LLC  
The Plains Apartments, LLC  
Albany Farms, LLC

Reinvestment Payment Program  
Brightmark Full Circle RNG LLC  
Brightmark Mill Valley RNG LLC  
South Dakota Jobs Program  
Red's All Natural, LLC

Notice is further given to persons with disabilities that this meeting is being held in a physically accessible place. Please notify the above mentioned office within 48 hours of the public hearing if you have special needs for which this agency will make the necessary arrangements.

B



**GRANT COMMITTEE**  
**GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD**  
**WEDNESDAY, MAY 26, 2021, 11:00 A.M. CT**

Members Present

Chairman Don Kettering, Sharon Casey, Mike Luken and Ted Hustead

Staff Present

Travis Dovre and Ashley Moore

Call to Order

Chairman Kettering called the meeting to order at 11:02 a.m.

Agenda

A motion was made by Sharon Casey and seconded by Mike Luken to approve the agenda as presented.

Motion passed by a roll call vote.

Conflicts Disclosure – Chairman Kettering opened the floor for committee members to identify potential conflicts under SDCL Chapter 3-23. There were none from committee members and no objection to proceeding with the agenda.

Public Comments – none

Executive Session

A motion was made by Ted Hustead and seconded by Mike Luken to enter into executive session at 11:04 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the Grant Committee out of executive session at 11:15 a.m. The Chairman reported that the Board of Economic Development Grant Committee entered into Executive Session to discuss commercial and financial information relating to loan and other assistance to applicants. No action taken.

A motion was made by Mike Luken and seconded by Ted Hustead to approve the chairman's report from executive session.

Motion passed by a roll call vote.

Grant Reviews

Reinvestment Payment Program (Otter Tail Power and Dakota Range III, LLC) and South Dakota Jobs Program (Pacer Minerals, LLC)

Grant Committee recommends to the Board approving the grant reviews as presented.

A motion was made by Sharon Casey and seconded by Mike Luken.

Motion passed by a roll call vote.

New Business

Economic Development Partnership Program

Wall Economic Development Corporation

Grant Committee recommends to the Board approving an Economic Development Partnership grant award to Wall Economic Development Corporation in the amount up to \$472.50, not to exceed 50% of costs, to be granted in accordance with the board's Economic Development Award Policy for Training Only.

A motion was made by Mike Luken and seconded by Sharon Casey.

Motion passed by a roll call vote.

Local Infrastructure Improvement Program

City of Box Elder

Grant Committee recommends to the Board approving Local Infrastructure Improvement grant award to the City of Box Elder in the amount of \$240,125, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy.

A motion was made by Ted Husted and seconded by Sharon Casey.

Motion passed by a roll call vote.

Adjourn

The Chairman adjourned the meeting at 11:19 a.m.

Motion passed by a roll call vote.

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Matt Judson, Treasurer

**BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
WEDNESDAY, MAY 12, 2021, 10:00 A.M., CT**

Members Present

Chairman Jeff Erickson, Matt Judson, Sharon Casey, Mike Luken, Tom Jones, Joy Nelson, Eric Yunag, Pat Burchill, Kevin Tetzlaff, David Emery and Reynold Nesiba

Staff Present

Commissioner Steve Westra, Deputy Commissioner Chris Schilken, Travis Dovre and Ashley Moore

Other Staff Present

Mike Bietz, Andrew Coppersmith and Penny Kelley – BankWest, Inc.

Others Present

Bob Mercer - KEOLAND

Call to Order

Chairman Erickson called the meeting to order at 10:02 a.m.

Agenda

A motion was made by Mike Luken and seconded by Sharon Casey to approve the agenda as amended.

Motion passed by a roll call vote.

Minutes

A motion was made by Matt Judson and seconded by Pat Burchill to approve the minutes of the meetings held May 12, 2021 and June 1, 2021, as presented.

Motion passed by a roll call vote.

Conflicts Disclosure

Chairman Erickson opened the floor for board members to identify potential conflicts under SDCL Chapter 3-23. Joy Nelson declared a potential conflict with The Plains Apartments, LLC as she is real estate broker on the land being purchased and she would not partake in the discussion or vote on the project. The Chairman opened up the floor for questions and discussion concerning the potential conflicts; there were none from board members and no objection to proceeding with the agenda.

Public Comments – none

Executive Session

A motion was made by Mike Luken and seconded by Eric Yunag to enter into Executive Session at 10:07 a.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. SDCL 1-25-2(4) and SDCL 1-16G-11. Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the board out of Executive Session at 10:45 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.

A motion was made by Sharon Casey and seconded by Mike Luken to approve the Chairman's report from Executive Session.  
Motion passed by a roll call vote.

#### Reviews

##### Reinvestment Payment Program (Otter Tail Power and Dakota Range III, LLC) and South Dakota Jobs Program (Pacer Minerals, LLC)

A motion was made by Eric Yunag and seconded by Joy Nelson to approve the grant reviews as recommended by staff and Grant Committee.  
Motion passed by a roll call vote.

#### Loan Review Summary

##### SSM, LLC

A motion was made by Pat Burchill and seconded by Mike Luken to approve the loan review and recommendation as presented.  
Motion passed by a roll call vote.

#### Old Business

##### The Plains Apartments, LLC

A motion was made by Matt Judson and seconded by Pat Burchill to approve the changes as presented.  
Motion passed by a roll call vote with Joy Nelson abstaining.

#### New Business

##### Economic Development Partnership Program

##### Wall Economic Development Corporation

A motion was made by Sharon Casey and seconded by Mike Luken to approve the Economic Development Partnership grant award to Wall Economic Development Corporation in the amount up to \$472.50, not to exceed 50% of costs, to be granted in accordance with the board's Economic Development Award Policy for Training Only as recommended by staff and Grant Committee.  
Motion passed by a roll call vote.

##### Local Infrastructure Improvement Program

##### City of Box Elder

A motion was made by Joy Nelson and seconded by Pat Burchill to approve the Local Infrastructure Improvement grant award to the City of Box Elder in the amount of \$240,125, to be granted in accordance with the board's Local Infrastructure Improvement Award Policy as recommended by staff and Grant Committee.  
Motion passed by a roll call vote.

##### Reinvestment Payment Program

##### Link Snacks, Inc.

A motion was made by David Emery and seconded by Tom Jones to approve the Reinvestment Payment Program grant application to Link Snacks, Inc. as recommended by staff.

Based on the representations and project description contained in the application for reinvestment payment, including but not limited to the representations concerning jobs created or retained and wages and benefits to be paid, a new or expanded facility reinvestment payment of \$1,640,844 but not to exceed the State Sales/Use Tax paid on eligible project costs, is approved for Link Snacks, Inc. The project as completed must be substantially similar to the project described in the application and must comply with the deadlines set out SDCL Ch. 1-16G and ARSD Ch. 68:02:07. The board has considered the factors set out in SDCL 1-16G-59

and ARSD 68:02:07:04 and the likelihood the project would not be located in South Dakota absent the reinvestment payment. Staff is authorized to issue a permit consistent with the application, this approval and the applicable provisions of SDCL Ch. 1-16G and ARSD Ch. 68:02:07.

Motion passed by a roll call vote.

Adjourn

The Chairman adjourned the meeting at 10:52 a.m.

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Matt Judson, Treasurer

**CREDIT COMMITTEE  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
TUESDAY, JULY 6, 2021, 2:00 P.M. CT**

Members Present

Chairman Jeff Erickson, Don Kettering, Reed Kessler, Matt Judson and Pat Burchill

Staff Present

Commissioner Steve Westra, Deputy Commissioner Chris Schilken, Ashley Moore, Travis Dovre, Jack Valentine and Cathleen Rouillard

Other Staff Present

Andrew Coppersmith and Penny Kelley - BankWest, Inc.

Others Present

Bill Saller, Alan Gold, Robin Saacks – Albany Farms, LLC  
Hollie Stalder – Belle Fourche Economic Development

Call to Order

Chairman Erickson called the meeting to order at 2:01 p.m.

Agenda

A motion was made by Don Kettering and seconded by Reed Kessler to approve the agenda as presented.

Motion passed by a roll call vote.

Conflicts Disclosure – Chairman Erickson opened the floor for committee members to identify potential conflicts under SDCL Chapter 3-23. There were none from committee members and no objection to proceeding with the agenda.

Public Comment Period – Bill Saller, Alan Gold and Robin Saacks of Albany Farms, LLC gave a brief update on their project.

Executive Session

A motion was made by Pat Burchill and seconded by Matt Judson to enter into Executive Session at 2:15 p.m. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion passed by a roll call vote.

Executive Session Report

The Chairman declared the Credit Committee out of Executive Session at 2:43 p.m. The Chairman reported that the Board of Economic Development Credit Committee entered into Executive Session to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants. No action was taken.

A motion was made by Matt Judson and seconded by Don Kettering to approve the Chairman's report from executive session.

Motion passed by a roll call vote.

Old Business

The Plains Apartments, LLC

Credit Committee recommends to the Board approving the changes as presented.

A motion was made by Pat Burchill and seconded by Reed Kessler.

Motion passed by a roll call vote.

New Business

Albany Farms, LLC

Credit Committee recommends to the Board approving the application as presented.

A motion was made by Matt Judson and seconded by Don Kettering.

Motion passed by a roll call vote.

Adjourn

The Chairman declared the meeting adjourned at 2:45 p.m.

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Matt Judson, Treasurer

C



**SOUTH DAKOTA REVOLVING  
ECONOMIC DEVELOPMENT AND INITIATIVE FUND  
FINANCIAL REPORT  
(Compiled)  
May 31, 2021**

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# Clausen & Rice, Inc

Certified Public Accountants and Business Consultants

John E. Clausen, CPA

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Daniel T. Rice, CPA

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## Accountant's Compilation Report

To the Board of Directors  
South Dakota Revolving Economic Development and Initiative Fund  
Pierre, South Dakota

Management is responsible for the accompanying financial statements of South Dakota Revolving Economic Development and Initiative Fund (an Enterprise Fund of the State of South Dakota) as of May 31, 2021, and the related statements of revenues, expenses and changes in net assets and cash flows for the eleven months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Entity's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information contained on pages 5 through 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to South Dakota Revolving Economic Development and Initiative Fund.

*Clausen & Rice*

Pierre, South Dakota  
June 23, 2021

**SOUTH DAKOTA REVOLVING**  
**ECONOMIC DEVELOPMENT AND INITIATIVE FUND**  
**STATEMENT OF NET ASSETS**

**May 31, 2021**

**See Accountant's Compilation Report**

**ASSETS**

Cash and Investments-Unrestricted	\$57,407,717
Cash and Investments-Designated for Approved REDI Loans	28,704,437
Cash-SD Jobs	1,806,677
Cash-Disaster Relief Fund	<u>2,800,531</u>
Total Cash and Investments	\$90,719,362
Accounts Receivable-Bankwest	52,678
Loans Receivable - REDI, net of allowance of \$1,437,926	37,807,809
Loan Interest Receivable	37,177
Net Pension Asset	1,335
Asset Held for Resale	321,037
Investment Income Receivable	<u>1,925,453</u>

**TOTAL ASSETS**

\$130,864,851

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred Outflows of Resources Related to Pensions	<u>69,839</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>69,839</u>

**LIABILITIES**

Accounts Payable	\$40,166
Wages and Benefits Payable	\$28,502
Accrued Leave Payable	\$53,108
Net Pension Liability	\$0
Due To Other Funds	<u>\$6,923</u>

**TOTAL LIABILITIES**

\$128,699

**DEFERRED INFLOWS OF RESOURCES**

Deferred Inflows of Resources Related to Pensions	<u>27,200</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>27,200</u>

**NET POSITION**

Investment in Capital Assets	0
Unrestricted	<u>130,778,791</u>

**TOTAL NET POSITION**

\$130,778,791

**TOTAL LIABILITIES AND NET POSITION**

\$130,934,690

**SOUTH DAKOTA REVOLVING**

**ECONOMIC DEVELOPMENT AND INITIATIVE FUND**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**

**For the Month Ending May 31, 2021**

**See Accountant's Compilation Report**

	<u>Current Period</u>	<u>Year to Date</u>
<b>OPERATING REVENUE</b>		
Interest Income on Loans - REDI	\$35,521	\$487,702
Ethanol Income - REDI	0	0
Other Income - REDI	3,934	47,329
Building South Dakota Income	0	0
<b>LESS OPERATING EXPENSES</b>		
Administrative Expenses	33,876	598,051
Bad Debt Expense	(52,500)	(356,756)
Other Expenses	3,769	44,397
Building South Dakota Grants	0	109,994
<b>NET INCOME (LOSS) FROM OPERATIONS</b>	<b>\$54,310</b>	<b>\$139,345</b>
<b>NONOPERATING REVENUE</b>		
Investment Income	178,970	1,925,453
<b>CHANGE IN NET POSITION</b>	<b>\$233,280</b>	<b>\$2,064,798</b>
<b>NET POSITION, BEGINNING</b>	<b>130,545,511</b>	<b>128,713,993</b>
Prior period Adjustment	0	0
<b>NET POSITION, ENDING</b>	<b><u>\$130,778,791</u></b>	<b><u>\$130,778,791</u></b>

**SOUTH DAKOTA REVOLVING**  
**ECONOMIC DEVELOPMENT AND INITIATIVE FUND**

**STATEMENT OF CASH FLOWS**

**For the Month Ending May 31, 2021**

**See Accountant's Compilation Report**

	<u>Current Period</u>	<u>Year to Date</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in Net Position	\$233,280	\$2,064,798
Adjustments to Reconcile Net Income to Net Cash provided from (used in) Operating Activities:		
(Increase) Decrease in Accounts Receivable - Bankwest	0	0
(Increase) Decrease in Loans Receivable - REDI	389,629	5,712,371
(Increase) Decrease in Loan Interest Receivable	13,992	60,908
(Increase) Decrease in Loans Receivable - LIIP	0	0
(Increase) Decrease in Equipment	0	0
(Increase) Decrease in VASF Fuel Tax Revenues Receivable	0	0
(Increase) Decrease in Investment Income Receivable	(178,970)	(27,033)
(Increase) Decrease in Due From Other Funds	0	0
(Increase) Decrease in Other Assets	0	0
Increase (Decrease) in Accounts Payable	0	0
Increase (Decrease) in Wages Payable	0	0
Increase (Decrease) in Accrued Leave Payable	0	0
Increase (Decrease) in Grants Payable	0	0
Increase (Decrease) in Due To Other Funds	0	0
	\$457,931	\$7,811,044
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Prior Period Adjustment	0	0
	\$457,931	\$7,811,044
<b>NET INCREASE IN CASH AND INVESTMENTS</b>		
<b>CASH AND INVESTMENTS - BEGINNING</b>	90,261,431	82,908,318
<b>CASH AND INVESTMENTS - ENDING</b>	\$90,719,362	\$90,719,362

**SOUTH DAKOTA REVOLVING  
ECONOMIC DEVELOPMENT AND INITIATIVE FUND  
ADDITIONAL LOAN INFORMATION - REDI**

**For the Month Ending May 31, 2021**

**See Accountant's Compilation Report**

**REDI LOANS APPROVED, NOT ADVANCED**

<u>Company Name</u>	<u>Approval Date</u>	<u>Loan Amount</u>
WYTEC, LLC	6/10/2020	\$ 3,000,000
Midstates, Inc.	10/23/2020	\$ 1,490,872
Watertown Development Company/Dakota Tube	10/23/2020	\$ 897,696
Parkside Place, LLC	11/12/2020	\$ 1,793,610
The Plains Apartments, LLC	1/13/2021	\$ 12,820,534
Dakota Protein Solutions, LLC	5/12/2021	\$ 3,837,000
Fox Run Townhomes, LLC	5/12/2021	\$ 4,864,725
Total		<u>\$ 28,704,437</u>

**See Accountant's Compilation Report**

<b>REDI LOANS ADVANCED, DURING</b>	<b>May</b>	<b>Advanced Date</b>	<b>Loan Amount</b>
<u>Company Name</u>		<u>                    </u>	<u>                    </u>
None			

<b>REDI LOANS PAID OFF, DURING</b>	<b>May</b>	<b>Pay-off Date</b>	<b>Original Loan Amount</b>
<u>Company Name</u>		<u>                    </u>	<u>                    </u>
R&R Holdings, LLC		5/20/2021	\$606,000
Sioux Falls Development Foundation		5/25/2021	\$8,500,000

<b>REDI LOANS WROTE OFF, DURING</b>	<b>May</b>	<b>Wrote-off Date</b>	<b>Amount Wrote-off</b>
<u>Company Name</u>		<u>                    </u>	<u>                    </u>
None			

<b>REDI LOANS WITHDRAWN, DURING</b>	<b>May</b>	<b>Withdrawal Date</b>	<b>Withdrawn Amount</b>
<u>Company Name</u>		<u>                    </u>	<u>                    </u>
Farmers Union Industries, LLC		5/27/2021	\$3,600,000



**SOUTH DAKOTA REVOLVING  
ECONOMIC DEVELOPMENT AND INITIATIVE FUND**

**ADDITIONAL LOAN INFORMATION - SDJP**

**For the Month Ending May 31, 2021**

**See Accountant's Compilation Report**

**SOUTH DAKOTA JOBS PROGRAM CASH & INVESTMENTS BALANCE**

Dedicated SDJP Fund Cash and Investments Balance	4/30/2021	\$1,806,677
Plus: Investment Council Interest		0
South Dakota Jobs		0
Less:		0
		<hr/>
Dedicated SDJP Fund Cash and Investments Balance	5/31/2021	<u>\$1,806,677</u>

**SOUTH DAKOTA JOBS PROGRAM CASH & INVESTMENTS BALANCE APPROVED, NOT ADVANCED**

**RESTRICTED**

<u>Company Name</u>	<u>Approval Date</u>	<u>Amount Remaining</u>	
Forest Products Distributors, Inc.	9/13/2018	0	\$21,937 Authorized
			\$21,937 Disbursed
Sonstegard Foods Company	8/13/2019	350,450	\$350,450 Authorized
			\$0 Disbursed
Joel Rempfer	8/13/2019	0	\$11,970 Authorized
*Returned \$2,785.70			\$9,184 Disbursed
J & A Hog Company, LLC	9/10/2019	0	\$49,207 Authorized
*Returned 32,282.37			\$16,925 Disbursed
Shannon Klumb and Ben Klumb	9/10/2019	28,496	\$28,496 Authorized
			\$0 Disbursed
Diamond Five Feeders, LLC	10/24/2019	0	\$61,055 Authorized
*Returned 61,055			\$0 Disbursed
J and K Feeders, LLC	10/24/2019	87,123	\$87,123 Authorized
			\$0 Disbursed
Firesteel Finishers, LLC	11/13/2019	0	\$46,277 Authorized
*Returned \$25,270.15			\$21,007 Disbursed
Leaning Oak	12/11/2019	217,926	\$217,926 Authorized
			\$0 Disbursed
Pacer Minerals LLC	3/11/2020	27,000	\$27,000 Authorized
			\$0 Disbursed

Washington Feeders, LLC (North)	3/11/2020	28,080	\$28,080 Authorized \$0 Disbursed
Washington Feeders, LLC (South)	3/11/2020	28,080	\$28,080 Authorized \$0 Disbursed
Matt Storm	4/8/2020	24,833	\$24,833 Authorized \$0 Disbursed
Jones & Klumb Family Farm, LLC	5/13/2020	24,865	\$24,865 Authorized \$0 Disbursed
Mark Fuoss	5/13/2020	22,503	\$22,503 Authorized \$0 Disbursed
Spink Hutterian Brethren Inc. Barn 1	5/13/2020	33,592	\$33,592 Authorized \$0 Disbursed
Spink Hutterian Brethren Inc. Barn 2	5/13/2020	33,592	\$33,592 Authorized \$0 Disbursed
Spink Hutterian Brethren Inc. Nursery Barn	5/13/2020	44,842	\$44,842 Authorized \$0 Disbursed
Zimmerman Livestock, LLC	5/13/2020	0	\$71,756 Authorized \$40,941 Disbursed
* Returned 30,815.07			
TrueNorth Steel, Inc.	8/12/2020	18,000	\$18,000 Authorized \$0 Disbursed
		\$969,382	

**UNRESTRICTED**

Total South Dakota Jobs Program Cash and Investments	\$1,806,677
Less Cash and Investments-Restricted for Approved Loans/Grants	\$969,382
Total Unrestricted South Dakota Jobs Program Cash and Investments	\$837,295

D

STATE OF SOUTH DAKOTA  
CONSULTING CONTRACT

AGREEMENT made and entered into this \_\_\_ day of June, 2021 by and between the State of South Dakota, Governor's Office of Economic Development, a state agency, of 711 E Wells Ave., Pierre, SD 57501, (the "State") and Clausen and Rice, Inc., 430 West Sioux Ave, PO Box 1117, Pierre, SD 57501(the "Consultant").

The State hereby enters into this Agreement for services with Consultant in consideration of and pursuant to the terms and conditions set forth herein.

1. The Consultant will perform services for the State as follows: prepare monthly financial statements, assist in the fiscal year-end accounting, and provide financials to the Department of Legislative Audit for the SD Board of Economic Development's annual audit (BED). Consultant will also prepare quarterly financial statements for the grant programs administered under BED.

2. The Consultant's services under this Agreement shall commence on July 1, 2021, and end on June 30, 2022, unless sooner terminated pursuant to the terms hereof.

3. The Consultant will not use State equipment, supplies or facilities. The Consultant will provide the State with its Employer Identification Number, Federal Tax Identification Number or Social Security Number upon execution of this Agreement.

4. The State will make payment for services to be paid upon satisfactory completion of the services. The TOTAL CONTRACT AMOUNT is an amount not to exceed \$21,500. Payment will be made pursuant to itemized invoices submitted with a signed state voucher. Payment will be made consistent with SDCL ch. 5-26.

5. The Consultant agrees to indemnify and hold the State of South Dakota, its officers, agents and employees, harmless from and against any and all actions, suits, damages, liability or other proceedings that may arise as the result of performing services hereunder. This section does not require the Consultant to be responsible for or defend against claims or damages arising solely from errors or omissions of the State, its officers, agents or employees.

6. The Consultant, at all times during the term of this Agreement, shall obtain and maintain in force applicable insurance coverage of the types as follows:

A. Commercial General Liability Insurance: The Consultant shall maintain occurrence based commercial general liability insurance or equivalent form with a limit of not less than \$250,000 for each occurrence. If such insurance contains a general aggregate limit it shall apply separately to this Agreement or be no less than two times the occurrence limit.

B. Worker's Compensation Insurance: The Consultant shall procure and maintain workers' compensation and employers' insurance as required by South Dakota law.

Before beginning work under this Agreement, Consultant shall furnish the State with properly executed Certificates of Insurance which shall clearly evidence all insurance required in this Agreement. In the event a substantial change in insurance, issuance of a new policy, cancellation or non-renewal of the policy, the Consultant agrees to provide immediate notice to the State and provide a new certificate of insurance showing continuous coverage in the amounts required. Consultant shall furnish copies of insurance policies if requested by the State.

7. While performing services hereunder, the Consultant is an independent contractor and not an officer, agent, or employee of the State of South Dakota.

8. Consultant agrees to report to the State any event encountered in the course of performance of this Agreement which results in injury to the person or property of third parties, or which may otherwise subject Consultant or the State to liability. Consultant shall report any such event to the State immediately upon discovery.

Consultant's obligation under this section shall only be to report the occurrence of any event to the State and to make any other report provided for by their duties or applicable law. Consultant's obligation to report shall not require disclosure of any information subject to privilege or confidentiality under law (e.g., attorney-client communications). Reporting to the State under this section shall not excuse or satisfy any obligation of Consultant to report any event to law enforcement or other entities under the requirements of any applicable law.

9. This Agreement may be terminated by either party hereto upon thirty (30) days written notice. In the event the Consultant breaches any of the terms or conditions hereof, this Agreement may be terminated by the State at any time with or without notice. If termination for such a default is effected by the State, any payments due to Consultant at the time of termination may be adjusted to cover any additional costs to the State because of Consultant's default. Upon termination the State may take over the work and may award another party an agreement to complete the work under this Agreement. If after the State terminates for a default by Consultant it is determined that Consultant was not at fault, then the Consultant shall be paid for eligible services rendered and expenses incurred up to the date of termination.

No party shall be liable for a delay in performance or failure to perform its obligations under this Agreement if such delay or failure is due to acts of God or any other event beyond the control of the parties, including, without limitations, fire, explosion, weather, disease, war, insurrection, civil strife, riots, government action or power failure, provided, however, that the party who is unable to perform resumes performance as soon as possible following the end of the event causing the delay.

10. This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature

fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by the State. Termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State.

11. This Agreement may not be assigned without the express prior written consent of the State. This Agreement may not be amended except in writing, which writing shall be expressly identified as a part hereof, and be signed by an authorized representative of each of the parties hereto.

12. This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota. Any lawsuit pertaining to or affecting this Agreement shall be venued in Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.

13. The Consultant will comply with all federal, state and local laws, regulations, ordinances, guidelines, permits and requirements applicable to providing services pursuant to this Agreement, and will be solely responsible for obtaining current information on such requirements.

14. The Consultant may not use subcontractors to perform the services described herein without the express prior written consent of the State. The Consultant will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage for the benefit of the State in a manner consistent with this Agreement. The Consultant will cause its subcontractors, agents, and employees to comply, with applicable federal, state and local laws, regulations, ordinances, guidelines, permits and requirements and will adopt such review and inspection procedures as are necessary to assure such compliance.

15. Consultant hereby acknowledges and agrees that all reports, plans, specifications, technical data, miscellaneous drawings, software system programs and documentation, procedures, or files, operating instructions and procedures, source code(s) and documentation, including those necessary to upgrade and maintain the software program, and all information contained therein provided to the State by the Consultant in connection with its performance of services under this Agreement shall belong to and is the property of the State and will not be used in any way by the Consultant without the written consent of the State. Papers, reports, forms, software programs, source code(s) and other material which are a part of the work under this Agreement will not be copyrighted without written approval of the State.

16. Any notice or other communication required under this Agreement shall be in writing and sent to the address set forth above. Notices shall be given by and to Steve Westra on behalf of the State, and by John Clausen, on behalf of the Consultant, or such authorized designees as either party may from time to time designate in writing. Notices or communications to or between the parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such party.

17. In the event that any court of competent jurisdiction shall hold any provision of this Agreement unenforceable or invalid, such holding shall not invalidate or render unenforceable any other provision hereof.

18. In the event that any court of competent jurisdiction shall hold any provision of this Agreement unenforceable or invalid, such holding shall not invalidate or render unenforceable any other provision hereof.

19. All other prior discussions, communications and representations concerning the subject matter of this Agreement are superseded by the terms of this Agreement, and except as specifically provided herein, this Agreement constitutes the entire agreement with respect to the subject matter hereof.

In Witness Whereof, the parties signify their agreement effective the date above first written by the signatures affixed below.

STATE

CONSULTANT

BY: \_\_\_\_\_

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

- State Agency Coding (MSA Center):
- State Agency MSA Company for which contract will be paid:
- Object/subobject MSA account to which voucher will be coded:
- Name and phone number of contact person in State Agency who can provide additional information regarding this contract: Travis Dovre 605-773-5310

E



## MEMORANDUM

TO: Board of Economic Development  
FROM: Travis Dovre, Finance Director  
RE: Listing of Howard building for sale  
DATE: July 14, 2021

---

Staff is requesting permission to utilize the services of Bender Commercial to list the Howard building for sale.

Initial terms would list the building through February 28, 2022. Initial listing price will be at least what is needed to recover the principal amount due and cost of commissions which would be approximately \$525,000. Any additional recovery will go towards recovery of expenses such as back taxes, insurance, and legal estimated at \$50,000.

GOED staff will consult with Heartland to determine a reasonable listing price. Any reasonable offer will be brought to the board for consideration. GOED and Heartland shall be able to reject an unreasonable "low ball" offers.

The option for "a potential limited agency representation..." will be checked with a "no" option per recommendation from counsel.

**Recommendation:**

Approve entering into the Listing Agreement as presented.



We open doors.

LISTING AGREEMENT

Seller / Lessor, Heartland Consumers Power District and The South Dakota Governor’s Office Economic Development. hereby grants to Broker the exclusive right to sell / lease the following described real property:

Lots 2 & 3, Block 2 of the Howard Industrial Park Addition to the City of Howard, Miner County, South Dakota; Parcel ID #4693

Also known as: 606 West Industrial Road, Howard, SD

This Listing Agreement shall be effective from the date hereof and through and including October31, 2021, at which time it shall expire. The exclusive right granted to Broker hereunder shall be to sell the Property for \$ \_\_\_\_\_ or lease the property for \$ \_\_\_\_\_, or such other price as is acceptable to Seller, pursuant to a Sale Agreement containing such terms and conditions as are acceptable to Seller.

Broker is authorized to place "For sale / For lease" sign on the Property and to advertise as it deems best; to cooperate with other brokers at its own discretion; to collect and deposit into its Trust Account deposits and/or earnest monies; to show the Property and distribute information on the property to prospective buyers.

Broker Compensation: If, during the term of this agreement, the Property is sold/leased at the above price and terms, or for any price and terms the Seller/Lessor agrees to accept, by Broker, Seller, other brokers or any other party, including a transfer of full or partial ownership to partners or any other party, or if any of the above produces an acceptable offer or if within one hundred and eighty (180) days after the expiration of this contract the Property is sold/leased to any party, due to Broker's efforts, advertising, or to whom Broker has given information on the Property during the term of this agreement, the Seller/Lessor agrees to pay a fee for professional services as follows:

- (a) Six percent (6%) of the Gross Sales Price
(b) Six percent (6%) of the total rental income (less operating expenses if charged separately) over the initial term of the Lease Agreement or 1-1/4 month’s rent (whichever is greater) if leased

All fees to be paid in cash at closing or upon execution of an acceptable lease agreement, plus applicable Sales and Use Tax. The Broker's Compensation in the amount as determined above is hereby secured by a lien on the above described property in favor of the Broker. This lien is created when the above Property is sold, and Broker shall file this Agreement for the purposes of recording such lien.

Seller/Lessee hereby agrees to:

- (a) Authorize any utility company to release information as requested by Broker;
(b) Authorize Bender Commercial to obtain any building plans pertaining to the Property;
(c) Refer to Broker all inquiries or offers Seller may receive.

Broker agrees to do the following:

- (a) Make reasonable efforts to sell/lease the Property but does not guarantee a sale;
(b) Advertise and promote the Property as Broker deems best; and
(c) Promptly notify Seller/Lessor of any offer to buy the Property.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the \_\_\_\_ day of \_\_\_\_\_, 2021.

SELLER: HEARTLAND CONSUMERS POWER DISTRICT SD GOVERNOR’S OFFICE OF ECONOMIC DEVELOPMENT

By:
Its:

By:
Its:

BENDER COMMERCIAL REAL ESTATE SERVICES

Nick Gustafson, CCM (Broker)

Bradyn Neises (Agent)

Douglas Brockhouse, SIOR (Agent)

Seller understands that this is a legally binding contract and competent legal advice should be sought if it is not understood; if Broker provides any forms, Broker is not rendering legal advice and Broker is held harmless from seller's damages arising out of use of the same.

1 **AGENCY AGREEMENT ADDENDUM**

2 This addendum is attached to and made a part of the  X  listing agreement \_\_\_ buyer/tenant agency agreement dated [redacted],  
3 between **Bender Commercial Real Estate Services** (Brokerage Firm) and **Heartland Consumers Power District and South**  
4 **Dakota Governor’s Office of Economic Development** (Client).  
5

6 **I. IF THE BROKER REPRESENTS THE \_\_\_ SELLER/LANDLORD or \_\_\_ BUYER/TENANT:** If a broker enters into an  
7 agreement to represent a seller/landlord or buyer/tenant as a client, the broker and all licensees associated with that broker represent  
8 the client. An agent/subagent owes the client the duties of loyalty, obedience, disclosure, confidentiality, reasonable care and  
9 diligence, and full accounting.  
10

11 **II. IF THE BROKER APPOINTS AN ASSOCIATE LICENSEE TO REPRESENT THE N/A SELLER/LANDLORD or N/A**  
12 **BUYER/TENANT:** If a broker enters into an agreement to represent a seller/landlord or buyer/tenant as a client, the broker appoints  
13 N/A as the client’s appointed agent. For the purposes of this addendum, the client shall have an agency relationship with ONLY the  
14 appointed agent, the responsible broker N/A and, if applicable, responsible broker’s designated broker N/A. The responsible broker  
15 may appoint other affiliated licensees during the term of the brokerage agreement should the appointed agent not be able to fulfill the  
16 terms of the brokerage agreement or as by agreement between the responsible broker and the client. An appointment of another  
17 affiliated licensee or an additional affiliated licensee does not relieve the first appointed agent of any duties owed to the client.  
18

19 **III. IF THE BROKER OR ASSOCIATE LICENSEE REPRESENTS BOTH THE SELLER/LANDLORD AND THE**  
20 **BUYER/TENANT:** A real estate broker acting directly or through an associate licensee can legally be the agent of both the  
21 seller/landlord and the buyer/tenant in a transaction, but only with the knowledge and written consent of both parties. If a buyer/tenant  
22 represented by a broker wants to see a property of a seller/landlord being represented by the same broker, the following provisions will  
23 govern the actions of the broker.  
24

- 25 A. The broker may not knowingly say anything or do anything which might place one party at a disadvantage, disclose  
26 personal confidences of one party or the other party, or any other information a party specifically instructs the broker  
27 in writing not to disclose, unless disclosure is required by law.  
28
- 29 B. The broker may not, without the prior express written consent of the owner, disclose to the buyer/tenant that the  
30 owner might accept a price less than the listing price, nor shall the broker, without the prior express written consent of  
31 the buyer/tenant, disclose to the owner that the buyer/tenant may be willing to pay a higher price, or accept terms less  
32 favorable to the buyer/tenant than those indicated in the buyer’s/tenant’s previous offer.  
33
- 34 C. The broker may not represent the interests of either the owner or buyer/tenant to the detriment of the other party. The  
35 broker is obligated to inform each party of all facts the broker knows which would affect the party’s decision to  
36 permit the broker to represent both the owner and the buyer/tenant.  
37

38 **CONSENT AGREEMENT:** If the seller/landlord elects to negotiate with a buyer/tenant that is a client of the broker, or a  
39 buyer/tenant elects to negotiate with a seller/landlord that is a client of the broker, it is understood that both parties will be required to  
40 confirm, in writing, their election to have the broker act as a consensual limited agent.  
41

42 **AGENT OBLIGATIONS:** Regardless of representation, the broker shall: Disclose all known material facts about the property  
43 which could affect the buyer’s/tenant’s use or enjoyment of the property, disclose information which could have a material impact on  
44 either party’s ability to fulfill their obligations under the purchase/lease agreement, respond honestly and accurately to questions  
45 concerning the property, and deal honestly and fairly with all parties. The duties of the broker in a real estate transaction do not  
46 relieve an owner or buyer/tenant from the responsibility to protect their own interests. You should carefully read all documents to  
47 assure that they adequately express your understanding of the transaction. If you have questions regarding the duties and  
48 responsibilities of the broker, you should resolve those questions before proceeding further.  
49

50 Having read and understood this information about agency, I instruct Broker as initialed below:  
51  
52 I agree to a potential limited agency representation as described in section III above. Yes  [redacted]  /  [redacted]  No  \_\_\_  /  \_\_\_   
53  [redacted]  (Initials)  
54  
55  
56 [X] Seller: Heartland Consumers Power District (date/time) [X] Seller: SD Governor’s Office of Economic Dvlp (date/time)  
57  
58  
59  [redacted]  4/15/21 12:00 pm  
60 [X] Broker/Firm: Nick Gustafson, CCIM (date/time) [X] Agent: Bradyn Neises (date/time)  
61  
62  
63  [redacted]  [X] Agent: Douglas Brockhouse, SIOR (date/time)

1 **REAL ESTATE RELATIONSHIPS DISCLOSURE**

2 **South Dakota real estate brokers are required to develop and maintain a written office policy that sets forth agency and brokerage**  
3 **relationships that the broker may establish. The broker must disclose in writing the types of agency and brokerage relationships the**  
4 **broker offers to consumers and to allow a consumer the right to choose or refuse among the various real estate relationships. The**  
5 **following real estate relationships are permissible under South Dakota law.**

6  
7  **Single Agent-Seller’s/Landlord’s Agent:** Works on behalf of the seller/landlord and owes duties to the seller/landlord, which include  
8 good faith, loyalty, and fidelity. The agent will negotiate on behalf of and act as an advocate for the seller/landlord. The agent may not disclose  
9 confidential information without written permission of the seller or landlord.

10  **Single Agent-Buyer’s/Tenant’s Agent:** Works on behalf of the buyer/tenant and owes duties to the buyer/tenant which include good faith,  
11 loyalty, and fidelity. The agent will negotiate on behalf of and act as an advocate for the buyer/tenant. The agent may not disclose confidential  
12 information without written permission of the buyer or tenant.

13  **Disclosed Limited Agent:** Works on behalf of more than one client to a transaction, requiring the informed written consent of the clients  
14 before doing so. A limited agent may not disclose confidential information about one client to another without written permission releasing that  
15 information. While working to put the transaction together, agents in a limited agency transaction cannot negotiate nor advocate solely on  
16 behalf of either the seller/landlord or buyer/tenant. A limited agent may not be able to continue to provide other fiduciary services previously  
17 provided to the client.

18  **Appointed Agent:** Works on behalf of the seller/landlord or buyer/tenant and owes the same duties to the client as that of a single agent. A  
19 seller/landlord or buyer/tenant with an appointed agency agreement is represented by agents specifically named in the agreement. Any agents  
20 of the firm not named in the agreement do not represent the seller/landlord or buyer/tenant. The named appointed agent acts solely on behalf of  
21 his or her client and may only share confidential information about the client with the agent’s responsible broker or the broker’s designated  
22 broker who is also named in the agreement. Other agents in the firm have no duties to the seller/landlord or buyer/tenant and may act solely on  
23 behalf of another party in the transaction. The responsible broker and the broker’s designee act as a disclosed limited agent when appointed  
24 agents within the same firm are representing their respective clients in the same transaction.

25  **Transaction Broker:** Exercises reasonable skill and care in assisting one or more parties with a real estate transaction without being an  
26 advocate for any party. Although the transaction broker will help facilitate the transaction, the licensee will serve as a neutral party, offering no  
27 client-level services (such as negotiation) to the customer. The transaction broker may not disclose confidential information about a party to  
28 another without written permission releasing that information.

29  
30 **Duties of a buyer, tenant, landlord, or seller:** The duties of the real estate licensees in a real estate transaction do not relieve a party to a  
31 transaction from the responsibility to protect the party’s own interests. Persons should carefully read all documents to ensure that they  
32 adequately express their understanding of the transaction. If legal or tax advice is desired, consult a competent professional in that field.

33  
34 **All real estate licensees must provide disclosure of all actually known adverse material facts about the subject property or a party’s**  
35 **ability to perform its obligations.**

36 **South Dakota law requires a written agreement which sets forth the duties and obligations of the parties as described in the brokerage**  
37 **relationships itemized above.**

38  
39 The office policy of **Bender Commercial Real Estate Services** (company) is to offer only those services marked above.

40  
41 By **Nick Gustafson, CCIM** (licensee)

42  
43 **Acknowledgment:** I have been presented with an overview of the brokerage relationship options available and hereby acknowledge receipt of:

44  Real Estate Relationships Disclosure form

45  Consumer Real Estate Information Guide (residential property sales transaction only)

46 I understand that receipt of these materials is for disclosure purposes only and does not constitute a contract or agreement with the licensee.

47  
48 Signature \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_ am/pm

49  
50 Signature \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_ am/pm

51  
52  
53 **By marking a box and signing below, it is understood that the consumer is working without the benefit of client or transaction broker**  
54 **representation.**

55  
56  Buyer/tenant understands that Broker is not representing Buyer/Tenant as a client or working with Buyer/Tenant as a transaction broker.  
57 Buyer further understands that Broker is acting as agent for the seller or is assisting the seller as a transaction broker.

58  
59  Seller/Landlord understands that Broker is not representing Seller/Landlord as a client or working with Seller/Landlord as a transaction  
60 broker. Seller further understands that Broker is acting as agent for the buyer or is assisting the buyer as a transaction broker.

61  
62 Signature(s) \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_ am/pm