

GROUND LEASE AGREEMENT

July
THIS GROUND LEASE AGREEMENT (this "Lease") is made and entered into as of the 1st day of ~~June~~, 2019 (the "Effective Date"), by and between Samuel Froggett and Deborah Froggett, individuals (the "Landlord") and Carolina Solar Energy III, LLC, a North Carolina limited liability company (the "Tenant").

WITNESSETH:

In consideration of the rent to be paid to Landlord by Tenant, as hereinafter provided, and of the covenants and agreements upon the part of Landlord and Tenant to be kept and performed, Landlord hereby leases to Tenant, and Tenant leases from Landlord, that certain property containing approximately sixty-five (65) acres (to be determined in accordance with Section 1e below) located at 2839 Highway 218, near the community of Exie in Green County, Kentucky, being a portion of the property having a parcel ID number of 44-17, and more particularly described in Exhibit A attached hereto and by this reference made a part hereof (the "Land"), and all improvements, fixtures, personal property and trade fixtures now located thereon, together with all other appurtenances, tenements, hereditaments, rights and easements pertaining to the Land and the improvements now located thereon (the Land, together with the above-described property, improvements and appurtenances are hereinafter collectively referred to as the "Premises"), to be occupied and used upon the terms and conditions herein set forth. Minerals, together with any related appurtenances, tenements, hereditaments, rights and easements pertaining to the Land (the "Minerals") are reserved and excepted by Landlord from the lease of the Premises herein; provided, however, Minerals are subject to the provisions of Sections 5 and 22 below.

1. Term of Lease; Renewal Terms; Termination Rights; Contingencies/Due Diligence.

(a) The term of this Lease (including any extensions or renewals, the "Term") shall commence on the Effective Date and shall end at 11:59 P.M. local time on the last day of the three hundred sixty-ninth (369th) full calendar month following the Rent Commencement Date (as hereinafter defined) (the "Expiration Date"), unless extended or sooner terminated as herein provided.

(b) Tenant shall have the right to extend the initial three hundred sixty-nine (369) month Term for up to two (2) additional successive terms of five (5) years each (each a "Renewal Term" and collectively, the "Renewal Terms") by providing Landlord with written notice of Tenant's desire to extend the Term for the applicable Renewal Term prior to the Expiration Date (or prior to the expiration of the first Renewal Term, as applicable).

(c) Tenant shall have the right to terminate this Lease as of the last day of the one hundred eighty ninth (189th) month after the Rent Commencement Date (the "Termination Date") by providing Landlord with written notice of such termination on or before the date that is thirty (30) days prior to the Termination Date. Additionally, Tenant shall have the right to terminate this Lease in the event that its power purchase agreement, or other agreement under which Tenant provides power generated at the Premises to a third party, is terminated for any reason whatsoever. Upon a termination of this Lease by Tenant permitted hereunder, this Lease shall terminate and become null and void, and Tenant shall have no further obligations hereunder other than those obligations incurred prior to the Termination Date.

(d) Tenant intends to operate a utility scale solar photovoltaic power array for the generation of electric power, together with associated electrical balance of plant equipment, at the Premises (the "Intended Use."). If Tenant is unable to satisfy the Contingencies (as defined below) to Tenant's satisfaction prior to the Rent Commencement Date, or if Tenant otherwise determines that Tenant's leasing

of the Premises is not feasible or desirable for any reason whatsoever, Tenant may terminate this Lease by giving written notice to Landlord prior to the Rent Commencement Date.

(e) During the Due Diligence Period (as hereinafter defined) the Tenant shall obtain a survey of the Premises (the "**Survey**"). Prior to the Rent Commencement Date, Tenant shall finalize the design of the solar photovoltaic power array and the Premises, and shall have such design added to the Survey. The parties agree that the Survey's legal description shall be incorporated into Exhibit A as if fully set forth therein without amendment to this Lease, and that for purposes of determining the boundaries of the leased area within Landowner's larger parcel, the size of the Premises as shown on the Survey, excluding: (i) any portions of the Premises located within a public road right-of-way or utility easement; (ii) any portions of the Premises identified by the University of Kentucky, Kentucky Geological Survey as sinkholes; and (iii) any portions of the Premises that are designated as blue line stream, wetlands or 100-year floodplain by the U.S. Army Corps of Engineers or by the Kentucky Department for Environmental Protection, including any required setbacks from such environmental features; (the "**Net Acreage**"), shall be binding on the parties hereto.

(f) Tenant's obligation to perform hereunder shall be subject to the satisfaction of the following contingencies (collectively the "**Contingencies**"): (i) Tenant obtaining all necessary approvals from state, federal and local authorities required by Tenant to construct its proposed improvements and to operate the Premises for the Intended Use (as hereinafter defined), (ii) Tenant's review and approval of title and survey matters with respect to the Premises, the environmental condition of the Premises and the physical condition of the Land, (iii) Tenant deciding to lease the Premises in lieu of other sites being considered by Tenant prior to the Rent Commencement Date and (iv) Tenant's review and approval of any other matters that Tenant deems relevant to determining whether Tenant's leasing of the Premises is economically and otherwise feasible. As part of Tenant's due diligence, Tenant shall be entitled to conduct such testing of the Premises as Tenant shall reasonably determine in its sole discretion, including without limitation, one or more environmental audits, and to physically inspect and review the Premises, which investigation shall be of such scope as Tenant shall determine.

2. Rent Commencement Date; Lease Rate; Payment Schedule; Rent Escalation.

(a) As used herein, and subject to the terms of this Section 2(a), the term "**Rent Commencement Date**" shall be the earlier of (i) the date that is forty-five (45) months after the Effective Date or (ii) the date that Tenant commences construction of its intended improvements on the Premises. The period of time between the Effective Date and the Rent Commencement date is referred to herein as the "**Due Diligence Period**."

(b) Beginning on the Rent Commencement Date, annual rent shall equal [REDACTED] per acre (the "**Lease Rate**") of the Net Acreage (prorated for any fractional acres, if any), as determined by the Survey. If Tenant chooses to terminate in accordance with Section 1(d) of this Lease, no rent shall be due or payable.

(c) Payment Schedule

(i) Annual rent during the Term shall be payable in two installments on a bi-annual basis.

(ii) The first rent payment will be due on the Rent Commencement Date and shall equal the Lease Rate, prorated for the number of days from the Rent Commencement Date until the following January 15 or July 15, whichever is first in time after the Rent Commencement Date.

(iii) The second rent payment will be on either July 15 or January 15, whichever is first in time after the Rent Commencement Date (“**Second Rent Payment Date**”) and shall equal half of the Lease Rate.

(iv) Subsequent rent payments will be due every six (6) months after the Second Rent Payment Date.

(d) **Rent Escalation.** In lieu of Landlord paying escalation during the first twenty-five (25) years of the Lease, Landlord will pay Tenant twice the normal amount of rent during the first twelve (12) months following the Rent Commencement Date. (Effectively, the lease rate will therefore be [REDACTED] per acre for the first twelve (12) months of lease payments.) Then, beginning on the twenty-fifth annual anniversary date of the Second Rent Payment Date and on each annual anniversary date thereafter (including any such annual anniversary dates occurring during any exercised Renewal Term), the annual rent payable hereunder shall increase over the annual rent payable for the prior year by one and one-half percent (1.5%).

(e) If any overdue rent payment is not received by Landlord within fifteen (15) days after Landlord provides Tenant written notice of the delinquency, Tenant will pay a late fee to Landlord in the amount of five percent (5%) of the unpaid delinquent rent amount.

(f) On each annual anniversary of the Effective Date during the Due Diligence Period, Tenant must provide Landlord with an update on Tenant’s due diligence activities in writing and pay Landlord a due diligence fee equal to [REDACTED]

(g) On the Rent Commencement Date, Tenant shall pay Landlord a one-time payment of [REDACTED] as compensation for a barn located on the western side of the Premises, just south of the EKPC transmission line (the “**Barn**”). Landlord shall have the right to remove such barn within thirty (30) days of Tenant’s notice of Rent Commencement (the “**Barn Removal Period**”). Any components of the Barn not removed within the Barn Removal Period shall be considered part of the Premises. Landlord shall coordinate access to the Barn with Tenant during the Barn Removal Period.

3. **Utilities.** During the Term, Tenant shall pay for all public utilities used in the Premises by Tenant.

4. **Crops, Timber.**

(a) During the Due Diligence Period, Landlord may plant farm crops or enter into a lease for the planting of farm crops on the Premises. If (and only if) Landlord provides written notice to Tenant prior to planting such crops, including in such notice the estimated date(s) of harvest, then the Rent Commencement Date shall be delayed until the earlier of (a) such time as the crops actually planted on the Premises are harvested or (b) the date one (1) year following the date of Landlord’s notice (the “**Harvest Date**”); provided, however that Tenant may commence construction of improvements on the Premises at any time prior to the Harvest Date upon prior written notice to Landlord, in which case Tenant shall commence payment of annual rent in accordance with Section 2 above, and shall pay the owner of the crops an amount equal to the fair market value of that portion of the crops which cannot reasonably be harvested.

(b) During the Due Diligence Period and only during such period, Landlord shall have the right to conduct timbering operations on the Premises under the following conditions. Landlord shall retain all profit from timbering on the Premises that occurs prior to the Rent Commencement Date:

(i) Landlord shall provide written notice to Tenant at least ninety (90) days in advance of any timbering operations including:

- (1) the name and contact information of Landlord's forester, which company shall be subject to the reasonable approval of Tenant;
- (2) approximate timeframe the timber harvest is planned;
- (3) a map showing the areas that will be harvested on the Premises (the "**Timbering Area**"); and
- (4) a Forestry Management Plan.

Landlord agrees that no timber harvesting may occur on the Premises until Landlord's forester has discussed the scope and process for the timbering operations with Tenant and Tenant has confirmed in writing with Landlord that timbering operations may proceed.

(ii) Landlord and Landlord's forester shall comply with all local, state and federal rules and regulations applicable to such timbering operations, including, but not limited to, Kentucky's Best Management Practices for Forestry as then in effect. Additionally, Landlord agrees to obtain and maintain all permits necessary for conducting such operations (acknowledging that the Property is slated for future use as a solar facility) including, but not limited to, a Forestry Management Plan.

(iii) Landlord agrees to ensure that Landlord's forester maintains the US Army Corps of Engineers buffers from all jurisdictional wetlands and streams on the Premises.

(iv) If Landlord's timbering operations have not been completed prior to the Rent Commencement Date, Landlord's timbering operations shall cease on the Premises and Tenant shall pay Landlord an amount equal to the fair market value of any timber in the Timbering Area that has not been harvested and was intended to be harvested prior to the Rent Commencement Date. If Landlord and Tenant are unable to promptly agree as to the fair market value of such timber, each shall promptly select a duly licensed forester from the Kentucky Chapter of the Association of Consulting Foresters of America. Each such foresters shall promptly appraise the current fair market value of the remaining standing timber in the Timbering Area. The average of the two (2) appraisals shall be the fair market value of the timber for purposes of this Section 4.

(b) Landlord agrees to indemnify, defend and hold Tenant, its subsidiaries, affiliates, divisions and their respective directors, officers, employees, shareholders, agents, representatives, successors and assigns harmless from and against any and all losses, liabilities, claims, demands, damages, causes of action, fines, penalties, costs and expenses arising from the timbering operations to be conducted by Landlord or Landlord's forester on the Property, including but not limited to all liabilities arising out of or relating to any violations of any local, state or federal laws.

(c) Any forester or other third party engaged for timber operations shall maintain a policy or policies of general liability insurance on such operations. Landlord shall provide Tenant with a certificate of insurance showing the required liability coverage in an amount not less than [REDACTED] and showing Tenant as additional insured. This insurance is to be maintained with an insurer reasonable acceptable to Tenant and shall provide that it may not be amended or canceled without at least thirty (30) days' notice to Tenant.

5. Minerals; Mineral Restrictions.

(a) Landlord reserves and excepts the Minerals from the lease of the Premises herein to Tenant, subject to the restrictions in subsection (c) below.

(b) Landlord represents and warrants to Tenant that: (i) there has been no severance of the Minerals from the Land; (ii) Landlord owns and controls the Minerals; (iii) there are no sale agreements, leases, options, licenses, or similar agreements or rights relating to the Minerals; (iv) there are no mortgage liens or other encumbrances on the Minerals (exclusive of statutory liens for unmined mineral taxes not yet due and payable); (v) there is no active exploration for, or mining, drilling or development of, the Minerals; and (vi) Landlord has the sole and exclusive right to explore for, mine, drill or develop the Minerals.

(c) Landlord recognizes that Tenant and its assignees, cannot undertake development of the Premises for the Intended Use if there is or may occur any development of Minerals which would in any way interfere with or adversely affect Tenant's development or operation of the Premises for the Intended Use. Therefore, Landlord will not (i) sell, lease, option, or license the Minerals, (ii) explore for, mine, drill or develop the Minerals, or (iii) mortgage or otherwise encumber the Minerals (the "**Mineral Restrictions**").

6. Alterations. Except as stated in Section 2(g), Tenant may, at its expense, demolish any existing improvements on the Premises, and make any alterations, additions, improvements and changes to the Premises that it deems reasonably necessary in the operation of its business without the consent of Landlord, including without limitation installation of fencing, security devices and/or signage; provided that such alterations, additions, improvements or changes are made in compliance with applicable laws. Landlord agrees to sign any permit applications and to take all such other actions as are reasonably required to allow Tenant to accomplish any such alterations, additions, improvements and changes to the Premises. Any and all improvements constructed on the Premises by or for Tenant, and all machinery, fixtures, trade fixtures, furniture, equipment, and other personal property installed or placed in the Premises by or for Tenant (collectively, "**Tenant's Property**"), shall, regardless of the manner of attachment to the Premises or the improvements thereon, be and at all times remain the property of Tenant, and shall be removed at Tenant's expense by it at the expiration or earlier termination of this Lease. Landlord hereby waives all rights to distraint, possession or landlord's lien against Tenant's Property.

7. Use and Occupancy, Approvals. Tenant shall be entitled to use the Premises for the Intended Use. Landlord shall deliver sole and exclusive possession of the Premises to Tenant on the Effective Date, subject only to the rights of Landlord and/or its farm tenant to plant and harvest crops in accordance with Section 4 above and to the rights of Landlord to remove the Barn in accordance with Section 2(g) above. Landlord agrees to sign any applications or other documents, and to take all such other actions, as are reasonably required to allow Tenant to obtain any reasonable re-zonings, variances or other approvals required by Tenant to operate the Premises for the Intended Use.

8. Termination of Lease. Prior to the expiration or earlier termination of this Lease Tenant shall restore the Land (and any other land of Landlord impacted by Tenant's use of the Premises) to substantially its condition as of the Effective Date using prudent engineering practices and removing Tenant's Property (including, without limitation, all fencing, roads, solar panels and mounting, and other improvements or alterations) and any electrical or communication or other utility poles, lines and connections (unless such lines and connections are used in connection with other property owned by Landlord and Landlord gives written notice to Tenant at least ninety (90) days prior to the expiration or earlier termination of the Lease identifying the specific lines and connections to remain on the Premises). The removal and restoration shall be completed in a manner that does not materially and adversely affect the use of the Premises for farming purposes.

9. First Refusal to Purchase. Without limiting Tenant's rights to renew or extend the Term as set forth in this Lease, Landlord hereby grants to Tenant a right of first refusal to purchase the Premises, or any land of which the Premises is a part, upon the same terms and conditions as contained in any bona fide purchase offer Landlord, or its successors and assigns, may receive prior to the cancellation or termination of this Lease, as extended, and that Landlord intends to accept. Tenant shall have twenty (20) days after receipt from Landlord of written notice of such offer, with a certified full written statement of such offer and copy of the proposed sale agreement ("**Proposed Sale Agreement**") to exercise its option to purchase and accept any such proposed sale terms. Tenant shall exercise such option of first refusal by delivery of notice to Landlord accepting such offer. If Tenant exercises its option, Landlord and Tenant shall enter into a commercially reasonable sale agreement ("**Sale Agreement**") upon the economic terms of the Proposed Sale Agreement; provided, however, irrespective of the terms of the Proposed Sale Agreement, the Sale Agreement shall provide that (a) Landlord shall deliver to Tenant a current commitment (with the policy premium to be at Tenant's cost) for an owners title insurance policy issued by a title company acceptable to Tenant committing to insure Tenant in the amount of the purchase price and showing title to be good and marketable fee simple, free and clear of all liens, reservations, easements encumbrances, restrictions of record and encroachments, except such matters as encumber the Premises as of the date of this Lease, (b) transfer of title by Landlord to Tenant shall be effected by special warranty deed conveying such title, (c) Landlord shall satisfy and remove from title at closing any and all monetary encumbrances, including any mortgage or trust deed, and (d) Tenant shall have no obligations for payment of any brokerage fee in connection with the purchase and if any such payment is due it shall be paid by Landlord. Notwithstanding Tenant's failure to exercise such right of first refusal on a single occasion, such right of first refusal shall be a continuing right throughout the balance of the Term and Landlord shall be obligated to submit any future offers to Tenant. If Tenant declines to exercise this right of first refusal, it shall, upon request, provide a waiver letter to Landlord waiving its right to purchase as to the transaction presented.

10. Insurance.

(a) Tenant will, after its improvements are constructed, keep such improvements insured against loss or damage by fire, windstorm, earthquake and similar hazards.

(b) Beginning on the Effective Date, Tenant, at its sole cost and expense shall keep or cause to be kept for the mutual benefit of Tenant and Landlord, Commercial General Liability Insurance (1986 ISO Form or its equivalent) with a combined single limit, each Occurrence and General Aggregate-per location of at least [REDACTED] which policy shall insure against liability of Tenant, arising out of an in connection with Tenant's use of the Premises, and which shall insure the indemnity provisions contained in this Lease.

(c) Tenant's insurance policies required by this Lease shall: (i) be issued by insurance companies licensed to do business in Kentucky with a general policyholder's ratings of at least A- and a financial rating of at least VI in the most current Bert's Insurance Reports available on the Commencement Date; (ii) name Landlord as additional insured as its interest may appear; (iii) provide that the insurance not be canceled, non-renewed or coverage materially reduced unless thirty (30) days advance notice is given to Landlord; (iv) be non-assessable primary policies, and non-contributing with any insurance that Landlord may carry; (v) provide that any loss shall be payable notwithstanding any negligence of Landlord or Tenant which might result in a forfeiture of such insurance or the amount of proceeds payable; and (vi) have no deductible exceeding [REDACTED] unless approved in writing by Landlord.

11. Taxes.

(a) Tenant shall pay when due all ad valorem taxes and assessments of any kind or nature which may be imposed upon the Land or Premises during the Term by applicable governmental entities,

including, without limitation, all improvements made to the Land by Tenant or upon any other property installed in or brought onto the Premises by Tenant; provided, however, that if the Premises are a part of a larger tax parcel owned by Landlord, (i) such taxes shall be equitably apportioned as to Landlord and Tenant based on the land value and the improvements located on the Premises and on the remainder of the tax parcel, and (ii) if Landlord fails to pay taxes apportioned to Landlord prior to delinquency, Tenant shall have the right to pay such taxes and, in addition to any other remedy available at law or in equity, to deduct all costs thereof from rent due or coming due under the Lease.

(b) In the event that Tenant's use of the Premises for the Intended Use causes an increase in taxes on any other property owned by Landlord, any such increased taxes for such other property shall be paid solely by Landlord. Furthermore, in the event that the Premises are a part of a larger tax parcel owned by Landlord and ad valorem taxes on such tax parcel increase as a result of Tenant's use of the Premises for the Intended Use, the increased taxes resulting from such change of use shall be equitably apportioned as to Landlord and Tenant in a pro-rata manner such that Tenant is responsible only for such costs as they relate to the Premises.

(c) Additionally, in the event that Tenant's use of the Premises for the Intended Use causes the Premises to lose its property tax classification as agricultural land, and the loss of such classification triggers the required payment of "rollback taxes" imposed due to the change in use, then Tenant shall reimburse Landlord for the amount of such rollback taxes, together with any related interest or penalties (other than interest or penalties imposed for late payment of such taxes by Landlord). However, in the event that Tenant's use of the Premises for the Intended Use triggers the obligation to pay rollback taxes, penalties, or interest on any other property owned by Landlord (including, if applicable, the remainder of the tax parcel of which the Premises are a part), any such rollback taxes, penalties, or interest for such other property shall be paid solely by Landlord. In the event that the Premises are a part of a larger tax parcel owned by Landlord and rollback taxes become payable on the entire tax parcel as a result of Tenant's use of the Premises for the Intended Use, the rollback taxes, together with any related interest or penalties shall be equitably apportioned as to Landlord and Tenant in a pro-rata manner such that Tenant is responsible only for such costs as they relate to the Premises.

12. Fire or Other Casualty. In the event that the Premises, the improvements thereon, or any portions thereof, are damaged by fire or other casualty during the Term, and if in Tenant's sole judgment, the damage is of such nature or extent that it is uneconomical to repair and restore the Premises or the improvements thereon, as the case may be, Tenant may terminate this Lease by written notice to Landlord. The proceeds of any casualty insurance policy maintained by Tenant shall be payable to Tenant.

13. Condemnation.

(a) In the event that the whole of the Premises shall be taken under the exercise of the power of eminent domain or by agreement with any condemnor in lieu of such taking, or such portion thereof that, in Tenant's judgment, the remainder of the Premises is not suitable for Tenant's purposes (herein called a "**Total Taking**"), then this Lease shall terminate as of the earlier of the date when title thereto vests in the condemnor or the date when possession thereof shall be delivered to the condemnor.

(b) In the event that a portion or portions of the Premises shall be taken under the exercise of the power of eminent domain or by agreement with any condemnor in lieu of such taking, and such taking does not constitute a Total Taking (herein called a "**Partial Taking**"), then this Lease, only as to the portion or portions so taken, shall terminate as of the date possession thereof shall be delivered to the condemnor, but otherwise this Lease shall remain in full force and effect. In the case of a Partial Taking, the rent payable under this Lease after possession of the portion so taken shall be equitably reduced based on the acreage so taken and Tenant's loss of use of the remainder of the Premises. In the event of any Partial Taking, the

condemnation award given to either Landlord or Tenant shall be paid first to Tenant to restore the improvements on the Premises to a complete operational unit.

(c) In the event that Landlord and Tenant are unable to obtain separate awards with respect to their respective interests in the Premises, then, the single award shall be fairly and equitably apportioned between Landlord and Tenant. The portion of the award to be received by Landlord shall be based upon the taking of or injury to the fee simple estate in the Land, but not the improvements thereon. The portion of the award to be received by Tenant shall be based upon the taking and reduction of Tenant's leasehold estate created by this Lease, the taking of any improvements constructed or placed by Tenant on the Land, loss or interruption of Tenant's business and the cost of any restoration or repair necessitated by such taking or condemnation. Notwithstanding the foregoing, however, in the event Tenant exercises its right to terminate this Lease under this Section, then Tenant shall first receive all condemnation proceeds until Tenant has received an amount equal to the appraised value of the improvements made to the Land by Tenant prior to the taking. Tenant shall have the right to participate, at its own expense, in any such condemnation proceedings and to negotiate on behalf of itself and Landlord in such proceedings, and Landlord agrees to cooperate with Tenant and to execute such documentation as may be reasonably necessary to allow Tenant to participate in such condemnation proceedings. Neither Landlord nor Tenant shall enter voluntarily into any binding agreement or settlement related to a Total Taking or a Partial Taking without the prior consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed.

14. Maintenance and Repairs. Tenant shall be responsible for the repair and maintenance of the entire Premises, including any portion of the Premises located outside of the proposed fenced area.

15. Default. In the event of the failure of either party to comply with any term, covenant or condition of this Lease for a period of thirty (30) days after the defaulting party's receipt of written notice from the other party of such failure (provided, however, if such failure cannot reasonably be cured within such thirty (30) day period, the defaulting party shall not be in default hereunder if it commences to cure within such thirty (30) day period and prosecutes the cure to completion in good faith and with due diligence), then the defaulting party shall be deemed in default hereunder and the other party may, at its option, pursue any and all remedies available to such party at law or in equity. In the event of a default hereunder, the non-defaulting party will take commercially reasonable measures to mitigate its damages.

16. Binding Effect; Assignment and Subletting. This Lease shall be binding upon and inure to the benefit of the parties hereto and their legal representatives, successors and assigns. Tenant may assign this Lease, or sublet the Premises, or any part thereof, without Landlord's prior consent. Tenant shall notify Landlord within a reasonable time after such an assignment or subletting.

If Tenant assigns its interest in this Lease to a party that expressly assumes in writing all obligations of Tenant under this Lease arising after the effective date of the assignment, Tenant shall be released or discharged from all of its covenants and obligations under this Lease, except such obligations as shall have accrued prior to the effective date of any such assignment or transfer; and Landlord agrees to look solely to Tenant's assignee for performance of such obligations.

17. Indemnifications. Except to the extent caused by Landlord, Tenant agrees to indemnify and hold Landlord harmless from any and all damages or claims which Landlord may be compelled to pay on account of injuries to person or property on the Premises where the aforesaid injuries are caused by Tenant, its agents, servants or employees, or by Tenant's default under this Lease. Except to the extent caused by Tenant, Landlord agrees to indemnify and hold Tenant harmless from any and all damages or claims which Tenant may be compelled to pay on account of injuries to person or property on the Premises

or Landlord's other property where the aforesaid injuries are caused by Landlord, its agents, servants or employees, or by Landlord's default under this Lease.

18. Quiet Enjoyment. Landlord covenants and warrants that as long as Tenant is not in default under the terms and conditions of this Lease (beyond any applicable notice and cure periods), it will defend the right of possession to the Premises in Tenant against all parties whomsoever for the entire term hereof, and that Tenant shall have peaceable and quiet possession of the Premises during the Term without hindrance or molestation.

19. Waiver. The waiver by any party of any breach of any covenant or agreement herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other covenant or agreement herein contained.

20. Possession After Termination. If Tenant shall fail to vacate and surrender the possession of the Premises at the termination of this Lease, Landlord shall be entitled to recover from Tenant rent in an amount equal to one hundred twenty-five percent (125%) of the amount of rent payable hereunder for the period, prorated on a daily basis, from the termination of this Lease until the date the Premises are vacated and surrendered.

21. Notices. All notices, elections, demands, requests, payments and other communications hereunder shall be in writing, signed by the party making the same and shall be sent by certified or registered United States mail, postage prepaid, or by national overnight courier service which provides tracking and acknowledgement of receipts, addressed to:

To Landlord: Sammy Froggett
2839 HWY 218
Greensburg, KY 42743


Email: N/A

To Tenant: Carson Harkrader
Carolina Solar Energy III, LLC
400 W. Main Street, Suite 503
Durham, NC 27701
Office: (919) 682-6822
Email: charkrader@carolinasolarenergy.com

or at such other address as may hereafter be designated in writing by either party hereto. The time and date on which mail is postmarked shall be the time and date on which such communication is deemed to have been given.

22. Memorandum of Lease. Landlord and Tenant agree that this entire Lease shall not be recorded. However, at Tenant's request after the full execution of this Lease, Landlord and Tenant shall execute and record (to be recorded at Tenant's expense) a memorandum of this Lease, specifying the Effective Date, the Expiration Date, the Renewal Terms granted herein, the Mineral Restrictions, and such other provisions hereof as the parties may mutually agree to incorporate therein, which memorandum of lease shall be in form sufficient to publish notice and protect the validity of this Lease and Tenant's rights hereunder. The memorandum of lease shall be recorded in the Public Registry in the County in which the Land is located.

23. Governing Law. This Lease shall be construed and enforced in accordance with the laws of the Commonwealth of Kentucky.

24. Invalidity of Particular Provisions. If any term or provision of this Lease shall to any extent be invalid or unenforceable, the remainder of this Lease shall not be affected thereby and each other term and provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

25. Non-Disturbance Agreement. No later than the Rent Commencement Date, Landlord shall provide to Tenant an agreement, in form and substance acceptable to Tenant, from any and all current beneficiaries of mortgages/deeds of trust, or any other holders of liens on the Land or any portion thereof, whereby such beneficiaries and lienholders agree not to disturb Tenant's rights under this Lease.

26. Landlord's Warranties and Representations. Landlord hereby agrees with, and warrants and represents to Tenant as follows: (i) Landlord is the owner of the Land and Premises in fee simple with full right and authority to execute this Lease and to lease the Premises to Tenant in accordance with the terms hereof without the consent or joinder of any other party; (ii) to the best of Landlord's knowledge, the Premises are free from environmental contamination of any sort and comply with any and all applicable laws, rules, regulations and recorded documents; (iii) Landlord has not received any notice of condemnation, zoning change or legal noncompliance relating to the Premises; (iv) RESERVED; (v) Landlord will not institute or consent to any rezoning of the Premises during the Term without the prior written consent of Tenant; (vi) Landlord shall not further encumber the title to the Premises during the Term; (vii) Landlord shall not cause or permit any property owned or controlled by Landlord in the vicinity of the Premises, or any uses or improvements thereon, to impair Tenant's use of the Premises (for example, and without limiting the generality of the foregoing, Landlord shall not cause or permit any cell towers, water towers, billboards, silos or any other structures to be placed or constructed thereon that may obstruct the sunlight that otherwise would reach the Premises, or that may cast shade or shadows upon the Premises or any portion thereof); (viii) the Premises are free from any recorded or, to the best of Landlord's knowledge, unrecorded use or occupancy restrictions, declarations of restrictive covenants, or other restrictions that would affect the Intended Use; (ix) Landlord has not and, to the best of Landlord's knowledge, Landlord's tenants or predecessors in title have not used, manufactured, stored or released hazardous substances on, in or under the Premise; (x) there are no service or maintenance contracts affecting the Premises; (xi) there are no delinquent or outstanding assessments, liens or other impositions levied or assessed against the Premises or the larger property of which the Premises are a part; (xii) except for this Lease, there are no leases, options to purchase, license agreements or other third party rights to use or possess the Premises, whether written or oral, recorded or unrecorded; (xiii) Landlord is not in the hands of a receiver nor is an application for such a receiver pending; (xiv) Landlord has made no assignment for the benefit of creditors, nor filed, or had filed against it, any petition in bankruptcy; and (xv) within five (5) days after the full execution of this Lease, Landlord shall provide copies of the following to Tenant: any notices of any statute or code violation pertaining to the Premises; all "Phase I" and other environmental assessment reports for the Premises in Landlord's possession or control; Landlord's most recent survey and title insurance policy relating to the Premises; any governmental permits for the Premises and any other documentation in Landlord's possession relating to the Premises.

27. Brokerage Commission. Neither Landlord nor Tenant knows of any real estate brokers or agents who are or may be entitled to any commission or finder's fee in connection with this Lease. Each party hereto agrees to indemnify, defend and hold the other party harmless from and against any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including without limitation, fees for legal counsel and costs) with respect to any leasing commission or equivalent compensation alleged to be owing on account of such party's discussions, negotiations and/or dealings with any real estate broker or agent.

28. Easements.

(a) Landlord agrees to provide a suitable easement to Tenant to provide permanent access from the public road to this site at no additional cost to Tenant along with the right for Tenant to improve such driveway or easement to such a condition that the anticipated construction can occur in a manner suitable to Tenant.

(b) Tenant is hereby authorized to grant such easements across, under and over the Premises (and/or across any adjacent property owned by Landlord) as are reasonably necessary for rights of way, ingress and egress for the Intended Use, and for the installation, construction, maintenance, repair and replacement of utility lines serving the Premises, including without limitation any such easements required to connect the Premises to a receiver of electric power generated at the Premises. Landlord covenants and agrees that Landlord shall, upon the request of Tenant, join in the execution of any such easement.

(c) Landlord agrees to execute a shade easement with Tenant at no incremental cost to Tenant, with term equal to the Term, to limit the height of buildings, trees and other structures which cast shade, in adjacent property owned by Landlord in the area surrounding the south, east and west of the Premises.

29. Access. Tenant, and Tenant's agents, guests, subtenants and designees shall have access to the Premises at all times during the Term. Neither Landlord nor any agent of Landlord shall, without a Tenant representative, enter upon any portion of the Premises except as specifically permitted hereunder.

30. Confidentiality. Landlord acknowledges that Landlord may become privy to confidential information of Tenant, in addition to information regarding the terms of this Lease. Landlord therefore agrees to take all steps to ensure that any information with regard to Tenant, Tenant's proposed use of the Land and improvements thereon and/or to this transaction, shall remain confidential and shall not be disclosed or revealed to outside sources by Landlord or by its employees, officers, agents, counsel, accountants or representatives except when reasonably necessary. The provisions of this paragraph shall survive termination of this Lease.

31. Estoppel. Within fifteen (15) business days after written request therefor by Tenant, Landlord agrees to deliver a certificate to Tenant, Tenant's lender (if applicable) and any proposed purchaser of the Premises (if applicable), in a commercially reasonable form (subject to reasonable modification by any applicable purchaser or Tenant's Lender) to Tenant's lender or to any proposed purchaser and/or to Tenant setting forth the terms of the Lease, the absence of default thereunder, and such other reasonable terms requested by Tenant, lender or purchaser. In the event Landlord fails to respond within such fifteen (15) business day period, then, in addition to such failure constituting an event of default, all matters set forth in the estoppel certificate shall be deemed to be true, accurate and complete.

32. Leasehold Mortgages. Tenant and every successor and assign of Tenant is hereby given the right by Landlord, without Landlord's prior written consent, to mortgage its interest in this Lease and assign its interest in this Lease as collateral security for such mortgage upon the condition that all rights acquired under such mortgage shall be subject to each and all of the covenants, conditions and restrictions set forth in this Lease, and to all rights and interest of Landlord herein, none of which covenants, conditions or restrictions is or shall be waived by Landlord by reason of the rights given Tenant to mortgage its interest in this Lease, except as expressly provided in this Section.

If Tenant and/or Tenant's successors and assigns shall mortgage all or part of its interest in this Lease and if Tenant or the holder of such mortgage shall send to Landlord a true copy thereof together with written notice specifying the name and address of the mortgagee and the pertinent recording data with

respect to such mortgage, Landlord agrees that so long as the leasehold mortgage remains unsatisfied of record or until written notice of satisfaction is given by the holder to Landlord, the following provisions shall apply:

(a) *Mortgage Consent.* There shall be no cancellation, surrender or modification of this Lease by joint action of Landlord and Tenant without the prior written consent of the leasehold mortgagee.

(b) *Notices to Mortgagee.* Landlord shall, upon serving Tenant with any notice of default, simultaneously serve a copy of such notice upon the holder of the leasehold mortgage. The leasehold mortgagee shall have the same period, after service of such notice upon it, to remedy or cause to be remedied the defaults complained of, and Landlord shall accept such leasehold mortgagee's acts if they had been performed by Tenant.

(c) *Insurance.* Landlord agrees that the name of the leasehold mortgagee may be added to the "Loss Payable Endorsement" of any and all insurance policies required to be carried by Tenant under this Lease on the condition that the insurance proceeds be applied in the manner specified in this Lease and that the leasehold mortgage or collateral document so provide.

(d) *New Lease.* Landlord agrees that in the event of termination of this Lease by reason of any default by Tenant, that Landlord will enter into a new lease for the Premises with the leasehold mortgagee or its nominee for the remainder of the Lease Term effective as of the date of such termination, at the rent and other charges, and upon the terms, provisions, covenants and agreement contained in this Lease, subject only to the rights, if any, of the parties then in possession of any part of the Premises, provided:

(i) The mortgagee or its nominee shall make written request upon Landlord for the new lease within fifteen (15) days after the date of termination and the written request shall be accompanied by any then due payment of rent and other charges under this Lease; and the mortgagee or nominee shall execute and deliver the new lease within fifteen (15) days after Landlord has delivered it.

(ii) The mortgagee or its nominee shall pay to Landlord, at the time of execution and delivery of the new lease, any and all sums which would then be due pursuant to this Lease but for such termination and, in addition thereto, any reasonable expenses, including reasonable attorney's fees, which Landlord shall have incurred by reason of such default, including the costs of negotiation, approval and recording the new lease.

(iii) The mortgagee or its nominee shall perform and observe all covenants in this Lease to be performed by Tenant and shall further remedy any other conditions which Tenant was obligated to perform under the terms of this Lease.

(iv) Landlord shall not warrant possession of the Premises to Tenant or the leasehold mortgagee under the new lease.

(v) The new lease shall be expressly made subject to the rights, if any, of Tenant under this Lease.

(vi) The tenant under the new lease shall have the same right, title and interest in and to the Premises as Tenant has under this Lease.

(e) *Confirming Documentation.* Landlord shall, upon request, execute, acknowledge and deliver to each leasehold mortgagee an agreement prepared at the sole cost and expense of Tenant, in form satisfactory to the leasehold mortgagee and to Landlord, between Landlord, Tenant and the leasehold

mortgagee confirming the provisions of this Section. Any additional reasonable costs incurred by Landlord in connection with the agreement, including reasonable attorneys' fees, shall be paid by Tenant or the leasehold mortgagee.

The term "mortgage," as used in this Section, shall include deeds of trust and/or whatever security instruments are used in the Commonwealth of Kentucky from time to time, as well as financing statements, security agreements and other documentation required pursuant to the Uniform Commercial Code.

33. Nature and Extent of Agreement. This instrument contains the complete agreement of the parties regarding the terms and conditions of the lease of the Premises, and there are no oral or written conditions, terms, understandings or other agreements pertaining thereto which have not been incorporated herein. This instrument creates only the relationship of landlord and tenant between the parties as to the Premises; and nothing in this Lease shall in any way be construed to impose upon either party any obligations or restrictions not expressly set forth in this Lease.

34. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original once executed and delivered.

[REMAINDER OF PAGE BLANK. SIGNATURE PAGE FOLLOWS.]

[SEPARATE SIGNATURE PAGE TO GROUND LEASE AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease under seal as of the day and year first above written.

LANDLORD:

By: Samuel Froggett (SEAL)

Name: Samuel Froggett

By: Deborah Froggett (SEAL)

Name: Deborah Froggett

TENANT:

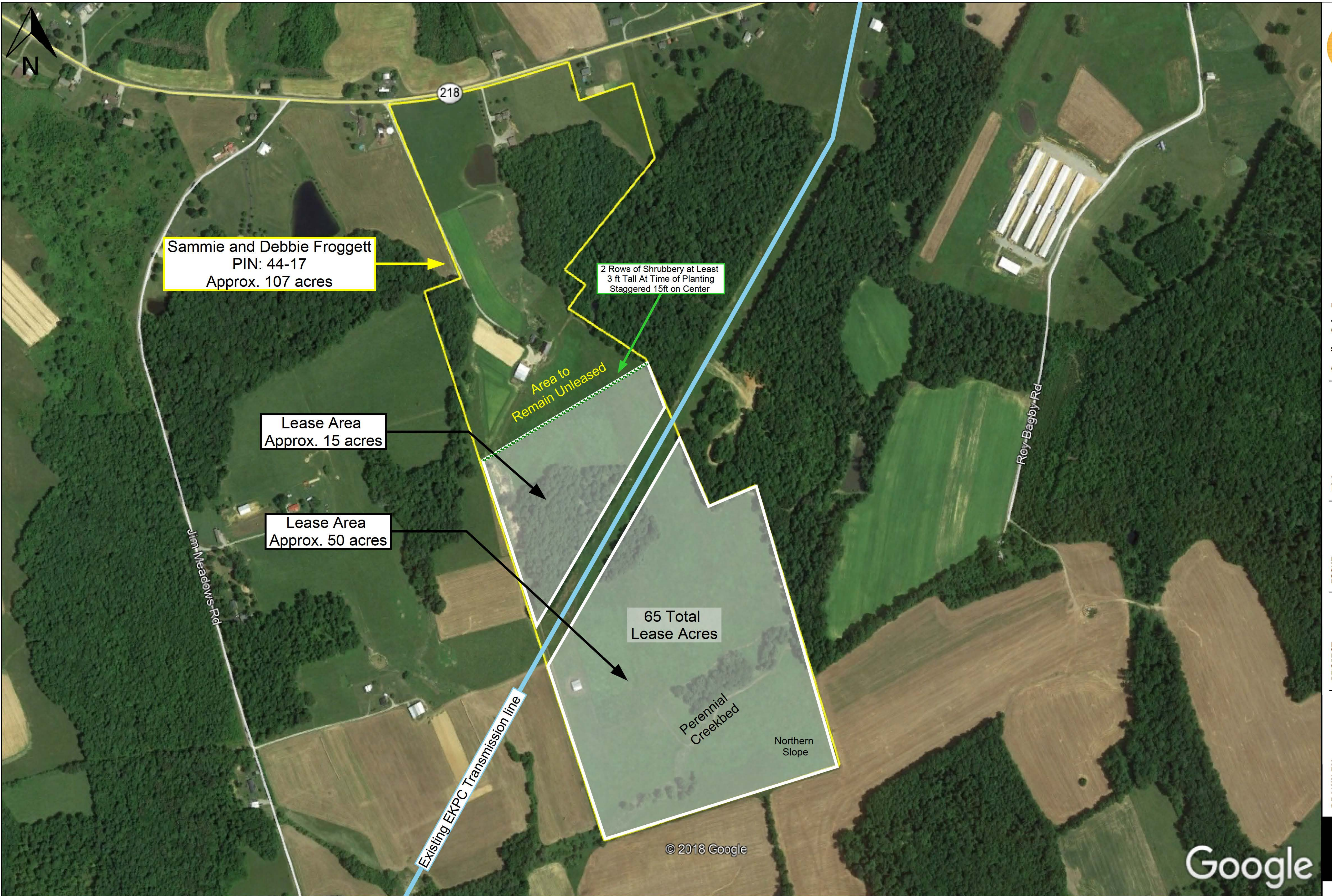
CAROLINA SOLAR ENERGY III, LLC

By: Carson Harkrader (SEAL)

Name: Carson Harkrader

Its: Manager

EXHIBIT A



Sammie and Debbie Froggett
 PIN: 44-17
 Approx. 107 acres

2 Rows of Shrubbery at Least
 3 ft Tall At Time of Planting
 Staggered 15ft on Center

Area to
 Remain Unleased

Lease Area
 Approx. 15 acres

Lease Area
 Approx. 50 acres

65 Total
 Lease Acres

Perennial
 Creekbed

Northern
 Slope

Existing EKC Transmission line