

## GROUND LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT (this "**Lease**") is made and entered into as of the 13th day of May, 2019 (the "**Effective Date**"), by and between the **White Family Irrevocable Trust** (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 between approximately ninety-five (95) and one hundred and five (105) acres (to be determined in accordance with Section 1e below) located at Sano Road, approximately three miles north of Russell Springs in Russell County, Kentucky, being a portion of the properties having a Parcel ID numbers 031-00-00-003.00 and 031-00-00-006.00 in the office of the Russell County Property Valuation Administrator, 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; Purchase Area.

(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 (369<sup>th</sup>) 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 (189<sup>th</sup>) 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.

(g) Tenant shall have the option to purchase from Landlord approximately two (2) acres of land adjacent to the transmission line on the Premises for an electric substation to serve the Intended Use (the **“Substation Parcel”**). The most optimal location for the substation will be determined by Tenant prior to the Rent Commencement Date; a potential location is marked on the map in Exhibit A. The purchase price for the Substation Parcel shall [REDACTED] per acre or approximately [REDACTED] in total. Closing on the Substation Parcel shall occur within ninety (90) days after the Rent Commencement Date, at the request of Tenant. Terms and conditions associated with the purchase of the Substation Parcel are described in **Exhibit B**. Tenant shall notify Landlord in writing during the Due Diligence Period if Tenant will purchase the Substation Parcel. If Tenant purchases the Substation Parcel, Landlord shall provide a permanent access easement to the substation in accordance with the terms of Section 28(b).

## 2. Rent: Rent Commencement Date; 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] [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) Beginning on the 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 [REDACTED]

(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 extension fee equal to [REDACTED]

3. Laydown Area, Utilities.

(a) For a fee [REDACTED] at Tenant's request, Landlord agrees to allow Tenant to use up to two (2) acres on Landlord's property for a laydown area during construction of the solar photovoltaic power array (the "**Laydown Area**"). Such use shall last no more than twelve (12) months in total. Tenant shall be responsible for returning the Laydown Area to Landlord in reasonable condition at the end of the twelve (12) month period, free of debris, equipment and gravel. On or before the Rent Commencement Date, Landlord and Tenant shall mutually agree on the location of the Laydown Area, which shall have reasonable road access and flat terrain.

(b) During the Term, Tenant shall pay for all public utilities used in the Premises by Tenant.

2. Crops, Trees.

(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) Landlord shall not harvest any mature or immature timber stands, or cut any trees on the Land without Tenant's permission during the time this Agreement is effective.

3. 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**").

4. Alterations. 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.

5. 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. 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.

6. 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.

7. 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.

8. Insurance.

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

(c) 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.

(d) 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.

9. Taxes.

(b) 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.

(c) 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.

(d) 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.

10. 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.

11. Condemnation.

(b) 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.

(c) 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.

(d) 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.

12. 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.

13. 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.

14. 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.

15. 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.

16. 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.

17. 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.

18. 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.

19. 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: White Family Irrevocable Trust  
Allison White Roy, Co-Trustee  
Ashley White, Co-Trustee  
448 Woodland Drive  
Russell Springs, KY 42642





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.

20. 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.

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

22. 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.

23. 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.

24. 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.

25. 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.

26. Easements.

(b) 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.

(c) 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.

(d) 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.

27. 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.

28. 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.

29. 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.

30. 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:

(b) *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.

(c) *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.

(d) *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.

(e) *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.

(f) *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.

31. 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.

32. 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:**

**WHITE FAMILY IRREVOCABLE TRUST**

By: Allison White Roy (SEAL)  
Allison White Roy, Co-Trustee

By: Ashley White (SEAL)  
Ashley White, Co-Trustee

**TENANT:**

**CAROLINA SOLAR ENERGY III, LLC**

By: Carson Harkrader (SEAL)  
Carson Harkrader, Manager

EXHIBIT A



Parcel ID #
031-00-00-003.00
031-00-00-006.00

**Carolina Solar Energy**  
 400 W Main St  
 Durham, NC 27701  
 Suite 503

**White Lease Areas**

**ISSUE**  
 10/26/20  
 9/16/20  
 5/4/20  
 5/9/19  
 3/11/19

**PROJECT**  
 Mt. Olive Creek

**DRAWN BY**  
 CJ, TC

**EXHIBIT B**

**REAL ESTATE PURCHASE AND SALE AGREEMENT**

**THIS REAL ESTATE PURCHASE AND SALE AGREEMENT** (this “**Agreement**”) is entered into and made effective as of the \_\_\_ day of \_\_\_, 20\_\_ (the “**Effective Date**”), by and between \_\_\_\_\_, (the “**Seller**”) and \_\_\_\_\_ (the “**Buyer**”).

Seller and Buyer may be individually referred to as a “**Party**” and collectively referred to as the “**Parties**.”

WITNESSETH:

**WHEREAS**, Seller is the owner of that certain tract of land containing approximately \_\_\_\_\_ ( ) acres (subject to a survey of the property) located at \_\_\_\_\_, [add description of location if applicable], in \_\_\_\_\_ County, Kentucky, being [a portion/all] of the property having a [parcel/PIN] number of \_\_\_\_\_ and being shown on the sketch site plan attached hereto as Exhibit A and incorporated herein by reference (the “**Land**”), together with: (i) all improvements and fixtures located on the Land, including all buildings and other structures on the Land, all parking lots, walkways and other paved areas on the Land, any and all exterior shrubs, trees, plants and landscaping on the Land, as further defined in Paragraph 1 herein (collectively, the “**Improvements**”); (ii) all oil, gas, water, mineral rights and water rights, whether or not appurtenant thereto, ownership of which affects the Property; (iii) all easements, rights of way and any and all other rights appurtenant thereto, as further defined in Paragraph 1 herein; and (iv) all permits, appurtenances, plans, specifications, and certificates of occupancy. The Land and Improvements, and such other property and rights described above are hereinafter collectively referred to as the “**Property**”; and

**WHEREAS**, Buyer desires to purchase the Property from Seller, and Seller desires to sell the Property to Buyer, on the terms and conditions set forth herein.

**NOW THEREFORE**, the Parties hereby agree as follows:

**1. Sale of the Property.** Seller agrees to bargain, sell, grant, convey and deliver the Property to Buyer, and Buyer agrees to purchase and accept the Property from Seller, for the price and on the terms and conditions set forth herein. It is intended that the Property include all assets and property rights of Seller of every description associated with the Land, Improvements and other property rights referred to above and within this Paragraph 1, all of which are included within the meaning of “**Property**” as that term is used herein.

**2. Purchase Price, Closing, Conditions Precedent, Buyer’s Assignment.**

**2.1. Purchase Price.** The total purchase price for the Property is **seven thousand dollars (\$7,000) per acre** or approximately **fourteen thousand dollars (\$14,000.00)** in total, payable by Buyer to Seller at the Closing (as hereinafter defined), subject to adjustment as provided below in this Paragraph 2.1, and further subject to the prorations and other credits provided for in this Agreement.

Notwithstanding the foregoing, the Parties acknowledge that the final purchase Price shall be set by multiplying the price per acre above by the actual acreage of the Property set forth in the Survey of the Property that Buyer will obtain pursuant to Paragraph 2.4.2 below, which shall be the final agreed upon



acreage of the Property (the "**Purchase Price**"). Payment of the Purchase Price shall be by wire transfer, certified or bank cashier's check, attorney's trust account check or other mutually acceptable transfer.

**2.2. Closing.** The consummation of the transactions contemplated by this Agreement with respect to the Property (the "**Closing**") shall take place on or before the day that is forty-five (45) months from the Effective Date (the "**Closing Date**"), in the offices of Seller, or such other place as is mutually agreeable to Buyer and Seller. **TIME IS OF THE ESSENCE FOR THE DATE OF THE CLOSING.** If Buyer desires to close before such latest closing date, Buyer and Seller hereby agree to close on such earlier date specified by Buyer provided that Buyer shall so notify Seller in writing at least ten (10) business days prior to the earlier closing date specified by Buyer.

### **2.3. Minerals.**

(a) Seller represents and warrants to Buyer that: (i) there has been no severance of minerals, together with any related appurtenances, tenements, hereditaments, rights and easements pertaining to the Land (the "**Minerals**") from the Land; (ii) Seller 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) Seller has the sole and exclusive right to explore for, mine, drill or develop the Minerals.

(b) Seller 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, without the express written consent of Buyer, which consent may be withheld in Buyer's sole discretion (the "**Mineral Restrictions**").

### **2.4. Due Diligence: Title and Survey: Environmental Audit.**

#### **2.4.1. Due Diligence.**

(a) For the period commencing on the date of this Agreement and expiring on the Closing Date (the "**Due Diligence Period**"), Buyer shall have the right to determine, in Buyer's sole and absolute discretion, whether the Buyer's proposed purchase and use of the Property is economically and otherwise feasible. During such time, Buyer shall be entitled to: (i) examine title to the Property, (ii) physically inspect the Property, which investigation shall be of such scope as Buyer shall determine, (iii) conduct such testing of the Property as Buyer shall deem reasonably necessary in its sole discretion, including without limitation, one or more environmental audits, and (iv) seek local zoning approval for a utility scale solar photovoltaic power array for the generation of electric power, together with associated electrical balance of plant equipment, on the Land (the "**Intended Use**.")

(b) Buyer shall conduct all such inspections, surveying, and other testing of the Property in a good and workmanlike manner. Buyer shall, at Buyer's expense, promptly repair any damage to the Property directly caused by Buyer's or Buyer's contractor's entry and on-site inspections.

(c) Seller shall in good faith cooperate with Buyer in facilitating Buyer's investigation of the Property. Seller shall provide Buyer and its agents, employees or consultants with reasonable access to the Property to inspect each and every part thereof and allow Buyer and its agents or consultants to contact all parties which currently contract with Seller with respect to the Property. In addition, Seller shall deliver or make available to Buyer as soon as is practicable and not later than ten (10) business days after the date hereof with respect to the Property all of the following (the "**Due Diligence Items**"):

(i) true and complete copies of any notices of any statute or code violation pertaining to the Property, or written notification that no such violation is applicable;

(ii) all "Phase I" and other environmental assessment reports for the Property in Seller's possession (or in the possession of Seller's attorney, environmental consultant or other agent), or written notification that no such reports are applicable;

(iii) true and complete copies of the following: any leases encumbering the Property; any and all contracts or other documents in Seller's possession relating to the Property; any construction and development contracts; certificates of occupancy and/or compliance; third-party inspection reports; plans and specifications for the Improvements; and

(iv) a true and complete copy of Seller's most recent survey, title insurance policy and attorney's title opinion relating to the Property.

(d) If Buyer determines, in its sole discretion, that the Property is unsuitable for the Intended Use or that Buyer's proposed acquisition and operation of the Property is not economical or otherwise feasible, then Buyer shall have the right to terminate this Agreement by delivery of written notice to Seller (a "**Termination Notice**") at Seller's address set forth herein prior to the expiration of Due Diligence Period. Upon Buyer's delivery of a Termination Notice to Seller as provided above, this Agreement shall immediately terminate and be rendered null and void, which shall be a Permitted Termination as provided herein.

(e) On each annual anniversary of the Effective Date during the Due Diligence Period, Buyer must provide Seller with an update on Buyer's due diligence activities in writing and pay Seller a due diligence extension fee equal to one thousand dollars (\$1,000.00) (the "**Due Diligence Extension Fee**").

**2.4.2. Survey.** Buyer may obtain a survey (the "**Survey**") of the Land to be prepared by a surveyor registered and licensed in the Commonwealth of Kentucky which shall show such items, including without limitation, the Improvements, and otherwise be in such detail as Buyer shall determine. Buyer shall provide Seller with a copy of the Survey promptly following Buyer's receipt of such. If the Land is not shown as a separate lot on an accurate, governmentally approved subdivision plat of the Land of public record (a "**Plat**"), the Survey shall be used for the description of the Land set forth in the deed of conveyance and in all other documents related to this transaction which require a legal description.

### **2.4.3. Title to the Property.**

(a) At Closing, Seller shall deliver to Buyer a special warranty deed in form and content reasonably satisfactory to Buyer's counsel with transfer tax paid at Seller's expense, conveying to Buyer good, indefeasible, fee simple, marketable and insurable title to the Property, said title to be insurable both as to fee and marketability at regular rates by the Title Company, subject only to those matters specifically enumerated as title exceptions in the title insurance commitment obtained by Buyer that are not objected to by Buyer (by notice to Seller pursuant to Paragraph 2.4.3(c)) prior to the end of the Due Diligence Period (collectively the "**Permitted Exceptions**"). The title insurance policy or policies of the Title Company to be issued at Closing in connection with conveyance of the Property shall (i) provide full coverage against mechanics' or materialmen's liens, have full survey coverage; (ii) not take exception for parties in possession other than Buyer; (iii) not take exception for any taxes or liens other than future taxes which are not yet due and payable as of the Closing date, and (iv) shall contain such other special endorsements as Buyer's counsel or its lender may reasonably require. Buyer shall deliver such affidavits and other documentation as may be reasonably necessary to ensure that the Title Company can issue title insurance policies providing the coverages described in (i) through (iv) in the previous sentence.

(b) The Property shall be conveyed by Seller to Buyer free and clear of all liens, encumbrances, claims, rights-of-way, easements, leases, restrictions, restrictive covenants and other matters affecting title except for the Permitted Exceptions (all of which, although permitted as exceptions to title if Closing occurs, shall be subject to the approval of Buyer, in its sole discretion, during the Due Diligence Period).

(c) If in the opinion of Buyer or Buyer's counsel, the Buyer's title commitment or the Survey reveals anything that adversely affects the Property, or if Seller's title to the Property fails to meet the foregoing requirements, or contains defects or exceptions not approved by Buyer, then Buyer may, by giving written notice to Seller prior to the expiration of the Due Diligence Period, either terminate this Agreement (as a Permitted Termination) or specify the title or survey defect(s). If Buyer specifies any such defect, Seller agrees to notify Buyer in writing within five (5) business days after Buyer's notice of defect as to whether Seller will attempt to cure such defect(s). If Seller fails to cure such defect(s) prior to Closing, Buyer shall have the option (i) of taking title to the Property "as is" and consummating the Closing of the Property, (ii) of extending the Closing for a reasonable period of time to enable Seller to cure such deficiency if Seller is attempting to cure same, (iii) of terminating this Agreement at any time on or prior to the last date for Closing specified in this Agreement, by written notice thereof to Seller, which shall be a Permitted Termination as set forth herein, or (iv) if the defect is a lien that can be cured by a monetary payment, of making such payment at Closing and reducing by a like amount the cash due to Seller at Closing.

## **2.5. Delivery of Documents.**

**2.5.1. Deliveries At Closing.** At the Closing, Seller shall deliver to Buyer:

(a) A special warranty deed (the "**Deed**") in form and content reasonably satisfactory to Buyer's counsel conveying good, indefeasible, marketable and insurable fee simple title to such of the Property as constitutes real property and is capable of being transferred by deed, free and clear of any lien, encumbrance or exception other than the Permitted Exceptions;

(b) A bill of sale with usual warranties conveying good title to the Property;

(c) A non-foreign status affidavit executed by Seller;

(d) Evidence satisfactory to Buyer of the authority of Seller or anyone executing documents on behalf of Seller to consummate the transactions contemplated herein;

(e) A closing statement duly executed by Seller setting forth the prorations and adjustments required by this Agreement or otherwise agreed to by Buyer and Seller;

(f) A certificate stating that Seller's representations and warranties set forth in Paragraph 3 are true and correct as of the date of Closing;

(g) A certificate containing the information necessary to complete a 1099-S Form;

(h) Appropriate lien waivers or other appropriate documentation (certified to Buyer and to the Title Company) that is necessary for Buyer to obtain a title insurance policy insuring the Property without exception for construction, mechanic's, materialman's or other liens against the Property; and

(i) An affidavit in form reasonably acceptable to the Title Company allowing the title company to remove any exception for parties in possession of the Property from Buyer's owner's policy of title insurance to be obtained at Closing;

(j) A statement from Seller certifying that all of the representations and warranties contained in Paragraph 3 of this Agreement are true and correct as of the Closing date.

(k) All other documents necessary to transfer or assign to Buyer any zoning approvals, permits, or other development rights with respect to the Property.

(l) Any other documents reasonably required or customary for closings of the sale of commercial real estate in the Commonwealth of Kentucky.

**2.5.2. Buyer's Deliveries at Closing.** At the Closing, Buyer shall deliver to Seller the Purchase Price, less credits and prorations provided for in this Agreement, and a closing statement duly executed by Buyer, setting forth the prorations and adjustments required by this Agreement or otherwise agreed to by Buyer and Seller.

**2.6. Closing Expenses and Costs.**

**2.6.1. Seller's Costs.** Seller shall pay the following:

- (a) Cost of preparation of the Deed and the other documents to be delivered by Seller;
- (b) All documentary transfer taxes or other fees levied by state or local authorities on the Deed or in connection with the Closing and transfer of title; and
- (c) Its proportionate share of the expenses to be prorated as set forth in this Agreement.

**2.6.2. Buyer's Costs.** Buyer shall pay the following:

- (a) The Deed recording fee;
- (b) The costs of obtaining the survey, title insurance commitment and policy and environmental audit and other due diligence reports; and
- (c) Its proportionate share of the expenses to be prorated as set forth in this Agreement.

**2.6.3. Other Expenses.** Except as otherwise provided herein, each Party hereto agrees to bear its own expenses, including but not limited to, travel, attorneys' and advisors' fees.

**2.7. Conditions Precedent to Buyer's Obligation.** Buyer's obligation to perform under this Agreement is subject to and contingent upon the satisfaction of each and every one of the following conditions. In the event that any of the below conditions is not satisfied at or prior to the date of Closing, Buyer may terminate this Agreement, which termination shall be a Permitted Termination as provided in this Agreement. Unless specifically stated otherwise, conditions to obligations hereunder are for the benefit of Buyer and may be waived in writing by Buyer.

(a) **Title Matters.** There shall have been no material adverse change to the title to the Property from the date title was investigated by Buyer during the Due Diligence Period which has not been cured;

(b) **Buyer's Approval.** There shall have been no material adverse change in the matters as to which Buyer has inspection rights under this Agreement after the date inspected by Buyer which has not been cured;

(c) **Seller's Obligations.** The truth and accuracy in all material respects, as of the Closing, of the representations and warranties of Seller contained in this Agreement, and Seller's fulfillment of its other obligations hereunder within the time periods set forth herein; and

(d) **No Change in Zoning.** There shall have been no change in the zoning of the Property since the date of Buyer's inspection, review or determination.

**2.8. Buyer's Right of Assignment.** Buyer shall be entitled to assign its right, title and interest under this Agreement without the consent of Seller to any person or entity including, but not limited to, an affiliate, subsidiary, or qualified intermediary in connection with the effectuation of a tax free exchange; provided, however, upon such assignment and assumption, Buyer shall not be relieved of any duties, obligations or liabilities hereunder.

**2.9. Crops.** During the Due Diligence Period, Seller may plant farm crops or enter into a lease for the planting of farm crops on the Land. If (and only if) Seller provides written notice to Buyer prior to planting such crops, including in such notice the estimated date(s) of harvest, then the Closing Date may be delayed until the crops planted on the Land are harvested (the "Harvest Date"); provided, however that if the Closing Date selected by the Buyer in accordance with Section 2.2 is earlier than the Harvest Date, Buyer 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 prior to the Closing Date.

**2.10 Trees.** Seller shall not harvest any mature or immature timber stands, or cut any trees on the Land without Buyer's permission during the time this Agreement is effective.

**2.11 Easements.**

(a) Seller agrees to provide Buyer and East Kentucky Power Cooperative ("**EKPC**") with a [thirty (30)] foot wide electrical utility easement on Landlord's adjacent property, as shown on the map in Exhibit A. Buyer and EKPC shall provide Seller with easement documentation once the Survey and site design are complete. Seller agrees to execute (Seller's signature to be witnessed and stamped by a notary public) such easement documentation and return it to Buyer within five (5) business days of receipt. Buyer or EKPC (as applicable) shall record the executed easement at the county register of deeds. Buyer shall be responsible for the removal of trees and maintenance of the electrical utility easement.

(b) Seller agrees to provide Buyer and EKPC with a forty (40) foot wide non-exclusive vehicle access easement on Seller's adjacent property, as shown on the map in Exhibit A. Buyer and EKPC shall provide Seller with easement documentation once the Survey and site design are complete. Seller agrees to execute (Seller's signature to be witnessed and stamped by a notary public) such easement documentation and return it to Buyer within five (5) business days of receipt. Buyer or EKPC (as applicable) shall record the executed easement at the county register of deeds. Buyer shall be responsible for the removal of trees and maintenance of the vehicle access easement.

**3. Representations and Warranties of Seller.** Seller hereby makes the following representations and warranties to Buyer, all of which shall be true and correct as of the date hereof and as of the date of Closing:

**3.1. No Violation.** No notice has been served on or delivered to Seller with respect to the Property, or the use of the Property, from any entity, governmental body, or individual claiming any violation of any federal, state and local fire, zoning, health, environmental, subdivision, building, labor, earthquake or any other federal, state or local codes, laws, rules and regulations or demanding payment or contribution for environmental damage. There are no pending or threatened actions or governmental proceedings concerning condemnation, eminent domain, zoning change, rent control, required environmental remedial action or otherwise, to which Seller or the Property is subject that would adversely affect the Property. Seller has no understanding or agreement with any taxing or assessing authority respecting the imposition or deferment of any taxes or assessments respecting the Property.

**3.2. No Interest in Property.** Seller has not granted to any person or entity other than Buyer, nor does any person or entity other than Buyer and Seller have, any right, title or interest in or to the Property or any portion thereof. Seller has not entered into any leases, service contracts or rental agreements with respect to any of the Property.

**3.3. No Other Contracts.** Seller has not entered into any other contract or agreement with any party other than Buyer with respect to the purchase and sale of the Property or any part thereof. There are no liabilities which encumber the Property and no agreements or commitments relating to the Property that will survive Closing or be binding upon Buyer, other than the Permitted Exceptions.

**3.4. Suits, Actions, Etc.** There are no suits, actions or arbitrations, or legal, administrative, or other proceedings or governmental investigations, formal or informal, pending or threatened, which relate to the Property or to its prior operation, which affect the Property, which would limit Buyer's, its successors' or assigns' full use and enjoyment of the Property, which would in any way be binding upon Buyer or its successors or assigns or which would limit or restrict in any way Seller's right or ability to enter into this Agreement and consummate the transactions described herein.

**3.5. No Conflict.** This Agreement has been duly and properly executed on behalf of Seller, and neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will result in a default (or an event that, with notice or the passage of time or both, would constitute a default) under, a violation or breach of, a conflict with, a right of termination of, or an acceleration of indebtedness under or performance required by, any note, indenture, license, lease, franchise, mortgage, deed of trust or other instrument or agreement to which Seller is a party or by which Seller or Seller's property, including without limitation any of the Property, is bound.

**3.6. Unpaid Claims.** There are no taxes, charges or assessments of any nature or description arising out of the conduct of Seller's business or the operation of the Property which would constitute a lien against the Property and no work has been performed or is in progress by Seller, and no materials have been furnished to the Land or the Improvements thereon or any portion thereof, which might give rise to mechanic's, materialman's or other liens against the Land or the Improvements thereon or any portion thereof.

**3.7. Evidence of Release of Liens.** Seller agrees to provide, within 45 days of the date of this Agreement, written confirmation (each, a "**Release Letter**") from all major lienholders evidencing their agreement to release at Closing the Property from all liens, covenants, and/or other restrictions and encumbrances held against the Property (the "**Lienholder Encumbrances**"). Each Release Letter shall be in form and content reasonably acceptable to Buyer, and each Release Letter shall set forth all terms, requirements, and conditions precedent to such lienholder's release of its Lienholder Encumbrances, and shall permit Buyer and its title insurance issuer to rely upon such Release Letter.

**3.8. Hazardous Materials.** To the best of Seller's knowledge without investigation, no hazardous or toxic wastes, substances, materials, pollutants, nor any asbestos or petroleum-based products (collectively, "**Hazardous Materials**") are now located on the Property. To the best of Seller's knowledge without investigation, neither Seller nor, any other person, has ever caused or permitted any Hazardous Materials to be placed, held, located or disposed of on, under or at the Property or any part thereof. To the best of Seller's knowledge without investigation, no part of the Property is being used or has ever been used for the disposal, storage, treatment, processing, manufacturing or other handling of Hazardous Materials; and to the best of Seller's knowledge without investigation, no part of the Property is affected by any Hazardous Materials contamination. Seller knows of no investigation, administrative order, consent order and agreement, litigation or settlement with respect to Hazardous Materials or Hazardous Materials contamination proposed, threatened, anticipated or in existence with respect to the Property. Seller has no knowledge that the Property is currently on or has ever been on, any federal or state "Superfund" or "Superlien" list. To the best of Seller's knowledge without investigation, there are no underground storage tanks on the Property.

**3.9. Public Access.** The Property has permanent access to a public street or other public right of way.

**3.10. Accuracy of Representations and Warranties.** Seller will not cause or permit any action to be taken which would cause any of Seller's representations or warranties to be materially untrue as of the Closing. Seller agrees to immediately notify Buyer in writing of any event or condition which occurs prior to Closing hereunder, which causes a change in the facts related to, or the truth of any of Seller's representations.

**4. Representations and Warranties of Buyer.** Buyer hereby makes the following representations and warranties to Seller, all of which shall be true and correct as of the date hereof and as of the date of the Closing:

**4.1. Buyer Authorizations.** Buyer is a limited liability company, duly organized and validly existing in the state of its organization or incorporation. Buyer has full power and authority to execute and deliver this Agreement and the documents contemplated hereby and to consummate the transaction contemplated hereby. Buyer's performance of this Agreement and the transaction contemplated hereby have been duly authorized by all requisite action on the part of Buyer and the individuals executing this Agreement and the documents contemplated hereby on behalf of Buyer have full power and authority to legally bind Buyer.

**4.2. No Conflict.** This Agreement has been duly and properly executed on behalf of Buyer.

**5. Covenants and Interim Responsibilities of Seller.** Seller agrees that during the period between the date hereof and the date of Closing:

(a) Seller will manage or cause to be managed the Property and will insure all risks with respect thereto under policies and procedures substantially similar to those existing immediately prior to the date hereof;

(b) As and when Seller receives or discovers any action, information or documentation required to be delivered to Buyer under this Agreement, it will immediately deliver same to Buyer;

(c) Seller shall not further encumber the Property or any part thereof, or convey, lease or transfer any interest therein (or permit the encumbrance, conveyance, lease or transfer thereof) without Buyer's prior written consent; and

(d) Seller shall not execute or make any agreement or other arrangement which may bind or obligate the Property (or any real property interest affected by the Property), Buyer or Buyer's successors and assigns.

**6. Brokerage Commissions.** Buyer represents and warrants to Seller that Buyer has not engaged any broker or brokerage company in connection with the Buyer's proposed purchase of the Property. Seller shall pay any commissions due to Seller's agent if any. In the event of any claims for brokers', agents' or finders' fees or commissions by any person or entity in connection with the negotiation, execution or consummation of this Agreement, the Party on whose alleged statement, representation or agreement such claim or liability arises shall indemnify, hold harmless and defend the other Party from and against such claim, including without limitation reasonable attorneys' fees and costs.

**7. Prorations.**

**7.1. Real Estate Taxes.** Ad valorem taxes, utility charges and other expenses relating to the Property shall be prorated as of the date of Closing in the manner customary under the laws of the state in which the Property is located, based upon actual days involved. To the extent that the actual amounts of such charges, expenses, and income referred to in this paragraph are unavailable at the date of Closing, the closing statement(s) shall be based upon estimated amounts, and a readjustment of these items shall be made upon the request by either Party to this Agreement within thirty (30) days after the date of Closing. Seller shall be responsible for all ad valorem taxes relating to the Property for any period up to the date of Closing. Seller and Buyer agree to prorate real and personal ad valorem taxes based upon estimated taxes for the preceding year and in the event the actual taxes differ from such estimate, Seller and Buyer agree to adjust the proration upon the request by either Party to this Agreement; if the actual ad valorem taxes exceed the estimated taxes, Seller shall pay Buyer a pro rata portion of such increase, and conversely, if actual taxes are less than the estimated taxes, Buyer shall pay to Seller a pro rata portion of such decrease. Any such adjustment payment shall be made within fifteen (15) days after notification by either Party that such adjustment is necessary.

If the Property is not a separate tax parcel at Closing, Buyer and Seller agree to execute and deliver a tax proration agreement at Closing, or incorporate into the Closing settlement statement, the following terms: (i) the proration of taxes at Closing shall exclude the amount of any taxes assessed on the value of any improvements not located on the Property; and (ii) Seller shall be obligated to pay the tax bill for the master parcel from which the Property is being subdivided prior to delinquency.

**7.2. Income and Expense Prorations.** All income and expenses derived from the Property shall also be prorated as of the date of Closing in the manner customary under the laws of state in which the Property is located, based upon actual days involved. To the extent that the actual amounts of such income and expenses referred to in this paragraph are unavailable at the date of Closing, the closing statement(s) shall be based upon estimated amounts, and a readjustment of these items shall be made upon the request by either Party to this Agreement within thirty (30) days after the date of Closing. Seller shall, on or before the date of Closing, furnish to Buyer and Buyer's counsel all information necessary to compute the prorations provided for in this Paragraph 8.

**7.3.** Seller shall indemnify Buyer against and shall hold Buyer harmless from any costs, expenses, penalties or damages, including reasonable attorneys' fees, which may result from any failure by Seller to pay or cause to be paid any of the items described in this Paragraph 7.



8. **Possession.** Seller shall deliver full possession of the Property to Buyer at Closing, subject only to the Permitted Exceptions.

9. **Risk of Loss.** All risk of loss with respect to the Property shall remain with Seller until Closing. Seller agrees to give Buyer prompt notice of any fire or other casualty affecting the Property between the date hereof and the date of Closing. If, prior to the date of Closing, there shall occur damage to the Property caused by fire or other casualty, then Buyer may at its option terminate this Agreement by notice to Seller. If Buyer does not elect to terminate this Agreement, then the Closing shall take place as provided herein, Seller shall assign to Buyer all rights to insurance proceeds and claims available as a result of such destruction or damage, Seller shall pay to Buyer at Closing the applicable deductible amount under Seller's insurance policies, and Buyer shall purchase the Property subject to such destruction or damage.

10. **Condemnation.** In the event that condemnation or eminent domain proceedings affecting all or any part of the Property are initiated prior to the date of Closing, Buyer may, at its option, (a) terminate this Agreement by notifying Seller in writing within ten (10) business days after Buyer first is advised of such proceedings, in which case termination shall be deemed a Permitted Termination under this Agreement; or (b) elect to consummate the transaction provided for herein, in which event Seller shall, at the Closing, assign to Buyer all of its right, title and interest in and to any award or other benefits made or to be made in connection with such condemnation or eminent domain proceeding. In the event Buyer elects to consummate the transactions provided for herein, Buyer shall be entitled to participate with Seller in all negotiations and dealings with the condemning authority in respect of such matter; provided, however, that Buyer shall have the right to finally approve any agreement with the condemning authority.

11. **Termination, Default and Remedies.**

11.1. **Permitted Termination.** If this Agreement is terminated by Buyer pursuant to a right given it to do so hereunder (herein referred to as a "Permitted Termination"), Buyer shall deliver a Termination Notice to Seller at Seller's address set forth herein, and this Agreement shall thereafter be null and void.

11.2. **Default by Seller.**

(a) Seller shall be in default hereunder if any of Seller's warranties or representations set forth herein are untrue or inaccurate in any material respect when made or at the Closing; or if Seller shall fail or refuse to meet, comply with or perform any covenant, agreement, or obligation within the time limits and in the manner required in this Agreement.

(b) In the event of a default by Seller hereunder for any reason other than a default by Buyer hereunder and Seller shall not have cured such default within fifteen (15) days after notice of such default from Buyer, Buyer may, at Buyer's sole option, do any of the following:

(i) terminate this Agreement by written notice and this Agreement shall terminate and thereafter become null and void, and Seller shall pay to Buyer an amount equal to Buyer's actual out-of-pocket expenses incurred in connection with this Agreement including any reasonable attorneys' fees or other costs incurred by Buyer in pursuing its remedies hereunder; or

(ii) enforce specific performance of this Agreement against Seller; or

(iii) in addition to and not to the exclusion of the remedies in subsections (i) and (ii) immediately above, bring an action against Seller for monetary damages.

**11.3. Default by Buyer.** Buyer shall be in default hereunder if Buyer shall fail to deliver at the Closing any of the items required of Buyer, for any reason other than a default by Seller hereunder or a Permitted Termination. In the event of a default by Buyer hereunder for any reason other than a default by Seller hereunder and Buyer shall not have cured such default within fifteen (15) days after notice of such default from Seller, Seller, as Seller's sole and exclusive remedy for such default, shall be entitled to terminate this Agreement by notice to Buyer and retain all Due Diligence Extension Fee payments due through the date of termination, it being agreed between Buyer and Seller that such sum shall be liquidated damages for a default by Buyer hereunder because of the difficulty, inconvenience, and uncertainty of ascertaining actual damages for such default. Upon any such termination, neither Party shall have any further rights or obligations regarding this Agreement other than any obligations that expressly survive closing or termination.

## **12. Miscellaneous.**

**12.1. Notices.** All notices, demands, requests, consents, approvals or other communications (the "**Notices**") required or permitted to be given by this Agreement shall be in writing and shall be either personally delivered, or sent via fax, or by Federal Express or other regularly scheduled overnight courier or sent by United States mail, registered or certified with return receipt requested, properly addressed and with the full postage prepaid. Said Notices shall be deemed received and effective on the earlier of (i) the date actually received (which, in the case of fax notice, shall be the date such fax is transmitted, and, in the case of Notices sent by overnight courier, shall be deemed to be the day following delivery of such Notices to such overnight courier), or (ii) three (3) business days after being placed in the United States Mail as aforesaid.

Said Notices shall be sent to the Parties hereto at the following addresses, unless otherwise notified in writing:

**To Seller:**

**To Buyer:**

**12.2. Attorneys' Fees.** In the event that any Party hereto brings an action or proceeding for a declaration of the rights of the Parties under this Agreement, for injunctive relief, for an alleged breach or default of, or any other action arising out of, this Agreement or the transactions contemplated hereby, or in the event any Party is in default of its obligations pursuant hereto, the non-defaulting Party shall be entitled to reasonable attorneys' fees (based on actual time expended at customary hourly rates), in addition to any court costs incurred and in addition to any other damages or relief awarded.

**12.3. Entire Agreement: Amendment.** This Agreement, together with all exhibits hereto and documents referred to herein, if any, constitutes the entire understanding among the Parties hereto, and supersedes any and all prior agreements, arrangements and understandings among the Parties hereto. This Agreement may not be amended, modified, changed or supplemented, nor may any obligations hereunder be waived, except by a writing signed by both Parties or as otherwise permitted herein.

**12.4. Choice of Law.** This Agreement and each and every related document is to be governed by, and construed in accordance with, the laws of the Commonwealth of Kentucky.

**12.5. Successors.** Except as otherwise provided herein, the provisions and covenants contained herein shall inure to and be binding upon the heirs, representatives, successors and permitted assigns of the Parties hereto.

**12.6. Waiver.** No claim of waiver, consent, or acquiescence with respect to any provision of this Agreement shall be made against any Party hereto except on the basis of a written instrument executed by or on behalf of such Party. However, the Party for whose unilateral benefit a condition is herein inserted shall have the right to waive such condition.

**12.7. Further Actions.** Buyer and Seller agree to execute such additional documents, and take such further actions, as may reasonably be required to carry out the provisions and intent of this Agreement, and every agreement or document relating hereto, or entered into in connection herewith.

**12.8. Method of Execution; Counterparts.** Seller and Buyer may deliver executed signature pages to this Agreement by facsimile transmission or PDF via email to the other Party, which facsimile or PDF copy shall be deemed to be an original executed signature page. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute but one and the same instrument.

**12.9. Survival.** The representations, warranties and agreements set forth in this Agreement shall survive the Closing, and the same shall not be merged into the Deed or instruments of conveyance or any of the other documents or instruments executed or delivered at or after the time of Closing pursuant to or by any reason of this Agreement.

**12.10. Rule of Construction.** Seller and Buyer have experience with the subject matter of this Agreement, have been represented by counsel and have each fully participated in the negotiation and drafting of this Agreement. Accordingly, this Agreement shall be construed without regard to the rule that ambiguities in a document are to be construed against the drafter.

**12.11. Timing.** For purposes of this Agreement, any deadline falling on a day other than a business day shall be automatically extended to the next business day. For the purposes of this Agreement, the term “**business day**” means any day other than Saturday, Sunday, any federal legal holiday, or any day on which banking institutions in Frankfort, Kentucky or the county in which the Property is located, are obligated or authorized by law to close for the normal conduct of banking business.

**12.12. Memorandum of Agreement.** Seller and Buyer agree that this entire Agreement shall not be recorded. However, following the full execution of this Agreement, Seller and Buyer shall execute and record (to be recorded at Buyer's expense) a memorandum specifying the Effective Date, the Closing Date, the Mineral Restrictions, and such other provisions hereof as the parties may mutually agree to incorporate therein, which memorandum of agreement shall be in form sufficient to publish notice and protect the validity of this Agreement and Buyer's rights hereunder. The memorandum of agreement shall be recorded in the Public Registry in the County in which the Land is located.

[SIGNATURES ON FOLLOWING PAGE]

**[SEPARATE SIGNATURE PAGE TO PURCHASE AND SALE AGREEMENT]**

**IN WITNESS WHEREOF** each of the undersigned have caused this Agreement to be executed under seal on its behalf by its officers or agents thereunto duly authorized effective as of the date first above written.

**SELLER:**

By: \_\_\_\_\_ (SEAL)

Name:

By: \_\_\_\_\_ (SEAL)

Name:

**BUYER:**

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

Name:

Its:

**EXHIBIT A**