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TOMPKINS COUNTY CLERK

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Instrument Number
549027-001

No. of Pages: 10
(including this
cover page)

Receipt No. 549027

Date: 10/02/2009

Time: 01:26 PM

Document Type: EASEMENT/LEASE

Parties
To Transaction: EVERHART

Town/City:

Delivered By:
ENFIELD ENERGY

Return To:
ENFIELD ENERGY
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Deed Information

Taxable Consideration: \$0.00

State Transfer Tax: \$0.00

County Transfer Tax: \$0.00

RETT No.: 02523

Mortgage Information

Taxable Mortgage Amount:

Basic Mortgage Tax:

Special Mortgage Tax:

Additional Mortgage Tax:

Local Mortgage Tax:

Mortgage Serial No.:

State of New York
Tompkins County Clerk

This sheet constitutes the Clerk endorsement required by Section 316-A(5) & Section 319 of the Real Property Law of the State of New York.

Aurora R. Valenti

Tompkins County Clerk

Please do not remove this page.



**MEMORANDUM OF OPTION AGREEMENT AND LEASE AND EASEMENT
AGREEMENT**

This MEMORANDUM OF OPTION AGREEMENT AND LEASE AND EASEMENT AGREEMENT (this "Memorandum and Easement Agreement") is made upon the date of the first acknowledgement of this Agreement, and is effective on October 1, 2009 as made by and between Douglass Everhart, Attorney-in-Fact for Aline M. Everhart with an address of 302 Connecticut Hill Road, Newfield, NY 14867 ("Owner") and Enfield Energy, LLC, a New York limited liability company, with an address of PO Box 547, Ithaca, New York, 14851 ("Company").

RECITALS

A. Owner is the holder of fee simple title to the real property legally described on Exhibit A attached hereto and made a part hereof (the "Property"). Company is the developer of the wind-powered electricity generation facility commonly known as the Black Oak Wind Farm (the "Project").

B. Owner and Company have entered into an Option Agreement and Lease and Easement Agreement (the "Agreement") with an effective date of October 1, 2009 (the "Effective Date"), pursuant to which Owner has granted to Company (i) an exclusive option to lease the Property for development of the Project, and (ii) an exclusive Wind Development Easement on the Easement Property (as defined below) for Wind Energy Purposes (as defined below).

C. Owner and Company want to set forth certain terms and provisions of the Agreement in this Memorandum of Option Agreement and Lease and Easement Agreement for recording purposes.

NOW, THEREFORE, for and in consideration of the rents and covenants reserved in the Agreement and the covenants and conditions set forth in the Agreement, Owner and Company hereby covenant, promise and agree as follows:

1. Definitions. Capitalized terms used in this Memorandum and Easement Agreement and not otherwise defined shall have the meanings given them in the Agreement. Certain specific definitions used in this Memorandum and Easement Agreement and in the Agreement include the following:

- (a) "Wind Easement Property" means the real estate described on Exhibit A and is the property which will be subject to the Wind Development Easement. In addition, the Wind Development Easement affects all vertical space located above the surface of the Wind Easement Property, at all elevations.
- (b) "Wind Energy Purposes" means the exclusive right to convert wind energy resources into electrical energy, collecting and transmitting the electrical energy so converted through the construction and operation of Windpower Facilities.

Wind Lease

- (c) "Wind Turbine Generators" means towers, nacelles, blades and associated parts used to generate electricity from wind.
- (d) "Windpower Facilities" means Wind Turbine Generators, Cables, electric transformers, energy storage facilities, telecommunications equipment, substations, power generation facilities to be operated in conjunction with large wind turbine installations, roads, fences, meteorological towers and wind measurement equipment, and other facilities and equipment associated with or operated in conjunction with large wind turbine installations.

2. Option to Lease. Pursuant to the Agreement, Owner grants to Company an exclusive option to lease the Property.

- (a) Term of Option. The Option Period shall commence on the Effective Date and shall continue for up to five (5) years from the Effective Date, as provided in the Agreement.
- (b) Exercise of Option. Company may exercise its right to lease the Property by giving written notice to Owner at any time prior to the termination of the Option Period.
- (c) Option Payment. Payment for the Option to lease shall be made as provided for in the Agreement, the first payment being delivered this date.

(d) Rights during Option Period

- (i) Access to Property. Company shall have the right to enter the Property for purposes of installing and maintaining meteorological measuring equipment and conducting such other tests, studies, inspections, surveys, and soil or other analysis as Company deems advisable or necessary. Owner shall cooperate with Company in such efforts and make available to Company for inspection, copies of all field tiling surveys, plans and other such records of Owner only as such information relates directly to the proposed Windpower Facilities.
- (ii) Rights Reserved to Owner. Owner expressly reserves the right to use the Property for purposes that do not and will not interfere with Company's rights to use the Property for Wind Energy Purposes.

3. Lease. If Company exercises its Option to lease the Property, Owner shall lease the Property to Company. Pursuant to the Agreement, Company has the exclusive right to use the Property for Wind Energy Purposes.

- (a) Term of Lease. The Lease shall commence on the date Company gives notice of its exercise of the option, or on such other date as Company may specify in such notice (the "Lease Commencement Date"). The term of the Lease shall be thirty (30) years from the Lease Commencement Date, subject to Company's option to extend the term of the Lease for one (1) additional twenty (20) year period, as provided in the Agreement.

- (b) Rent. The rent due and payable from Company to Owner for the Lease shall be in the amounts specified in, and shall be payable pursuant to the terms and provisions of, the Agreement.

4. Wind Development Easement.

- (a) Grant. Owner agrees to grant to Company an exclusive Wind Development Easement on and over the Wind Easement Property. Owner agrees that this is and will be the only Wind Development Easement on and over the Wind Easement Property for the duration of the easement. The grant of the Wind Development Easement shall also constitute a waiver of any setback requirement, whether such setback is required from a property line, residence or any other structure as would otherwise be required by any applicable law, ordinance or regulation. Owner also agrees that Company may install Windpower Facilities on adjacent land to the Property at a closer distance to the Property than the setbacks that would otherwise be required under any applicable law, ordinance or regulation.
- (b) Limitations on Use of Wind Easement Property. As of the Effective Date, Owner may not, without the prior written approval of Company, (i) place or plant any trees or (ii) place or build any structures or improvements higher than forty feet, except for farm buildings which may be up to sixty feet high, on the Wind Easement Property after the Effective Date which may, in Company's sole judgment, impede or interfere with the flow of wind to any Site or Windpower Facilities (including Windpower Facilities within the Project but located on adjacent land). Structures and improvements located on the Wind Easement Property as of the Effective Date shall be allowed to remain, insofar as they do not interfere with Company's rights hereunder. Owner may not place or build any new structures, improvements or excavations closer than 20 feet to Company's Cables, roads or fences or closer than 100 feet to any other Windpower Facilities.
- (c) Rights Reserved to Owner. Owner expressly reserves the right to use the Wind Easement Property for purposes of a residence, ranching, hunting, recreation, conservation and farming that do not and will not interfere with the Windpower Facilities. Residential use is limited to one single family home with apartment and accessory buildings. Owner may from time to time seek prior written approval from Company for other uses that do not interfere with the Windpower Facilities and Company shall not unreasonably withhold approval.
- (d) Consideration for Easement. Company shall pay Owner One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Owner.
- (e) Duration of Easement. The term of the Wind Development Easement shall begin on the Effective Date and shall terminate on the first to occur of the following:
 - i. the last day of the Lease Term; or

ii. the date that Company delivers written notice to Owner that Company is terminating the Wind Development Easement; or

iii. if Company does not exercise the Option within the Option Period in accordance with the Agreement.

(f) Successors and Assigns. The Wind Development Easement shall burden the Wind Easement Property and shall run with the land. The Wind Development Easement shall inure to the benefit of and be binding upon Owner and Company and their respective heirs, transferees, successors and assigns, and all persons claiming under them.

5. Rights Upon Sale. Company shall have the right of first refusal should Owner, at any time during the term of this Agreement, decide to sell all or any part of the Property. This right shall not apply to transfers, with or without consideration, by Owner to members of his family (defined to be any person closer in consanguinity to first cousins once removed, and the spouses of any such person), or any entity that is controlled by Owner and/or members of his family, as defined above. It also shall not apply to transfers by devise or descent, or by operation of law upon death, and Owner shall be free to encumber the property hereafter by mortgage or other encumbrance, so long as it does not interfere with the Agreement contained herein. This right of first refusal applies only to outright transfers of fee title by Owner. If the sale is otherwise subject to the first refusal right granted hereunder, and the right of first refusal is not exercised, such sale shall be under and subject to the terms of this Agreement and Company's rights hereunder.

Exercise of this right of first refusal by Company (including its successors and/or assigns) shall be evidenced by a writing received back by Owner (including his successors and/or assigns) within ten (10) business days of personal delivery to Company, or within twelve (12) business days if transmitted by overnight courier to Company, or within fourteen (14) business days of posting to Company in the U.S. Post Office First Class Mail by Owner of a copy of a bona fide purchase offer. If said bona fide purchase offer is delivered other than personally to Company, it shall be to:

John Rancich
P.O. Box 547
Ithaca, NY 14851

or such other address as Company shall hereafter provide to Owner by notice in writing. The exercise of the right of first refusal shall be by written purchase offer to Owner agreeing to match said bona fide purchase offer in its entirety.

Failure by Company to agree in writing to match on identical terms said bona fide purchase offer, which must be timely received by Owner within the period specified in the prior paragraph, shall constitute a full and complete waiver of this right of first refusal regarding said bona fide purchase offer only. The failure to exercise the right hereunder as to a portion or all of the property shall constitute a final and irrevocable waiver of the right of first refusal hereunder with respect to the property to be conveyed under the above-mentioned bona fide purchase offer only. If the first refusal right accrues, is thereafter waived, or otherwise not exercised under the terms hereof, the right of first refusal shall survive and apply to subsequent bona fide purchase offers.

Wind Lease

An affidavit by Owner, his successors and/or assigns of record, showing compliance with the terms of this provision of the Agreement and reciting the failure of Company to timely exercise its right of first refusal hereunder, shall be sufficient to remove this right of first refusal as a cloud on title of the property transferred under any bona fide purchase offer that was unmet or otherwise waived by Company under the terms of this provision, upon the recording in the Tompkins County Clerk's Office of said affidavit and reference to this provision.

6. Clearing the public record of the encumbrances of this Memorandum of Option Agreement and Lease and Easement Agreement.

Written notice to Company, its successors and/or assigns of record including a proposed affidavit by Owner, its successors and/or assigns of record that includes and certifies the following:

- (a) that the Wind Easement and/or Lease and/or Option has terminated pursuant to the terms of Sections 1.05, 2.04 or 4.02 of the Agreement as to all or part of the Property, as applicable, and
- (b) that Owner intends to file the proposed affidavit with proof of delivery in the Tompkins County Clerk's Office upon the expiration of forty-five (45) days from the delivery date and
- (c) reference to this provision of the Memorandum of Option Agreement and Lease and Easement Agreement

shall, upon the expiration of forty-five (45) days from receipt by Company of said notice and proposed affidavit, and the signing and recording in the Tompkins County Clerk's Office of said affidavit and proof of delivery, be sufficient to permanently remove this Memorandum of Option Agreement and Lease and Easement Agreement as a cloud on title as to of all or part of the Property, as applicable.

IN WITNESS WHEREOF, Owner and Company have executed this Memorandum and Easement Agreement as of the date first written above.

OWNER:

Signature Douglas Everhart

Printed Name Douglas Everhart, Attorney-in-Fact for Aline M. Everhart

ACKNOWLEDGMENT OF OWNER

STATE OF NEW YORK)

) ss.:

COUNTY OF TOMPKINS)

On the 1st day of October, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared Douglas Everhart, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that they executed the same in their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person(s) upon behalf of which the individual(s) acted, executed the instrument.

John Moss Hinchcliff
Notary Public, State of New York
No. 4794203
Qualified in Onondaga County
Commission Expires March 30, 2011

[Signature]
Notary Public

MEMORANDUM AND EASEMENT AGREEMENT EXHIBIT A

DESCRIPTION OF PROPERTY

Attached to and made a part of that certain Option Agreement, Lease
And Easement Agreement dated 10-1-07 by and between
Douglass Everhart, Attorney-in-Fact for Aline M. Everhart, Owner,
and Enfield Energy, LLC, a limited liability company, Lessee

PARCEL I:

All that tract or parcel of land, situate in the Town of Enfield, County of Tompkins and State of New York, bounded and described as follows to wit: Being a part of Lot Number Seventy-three (73) in said Town of Enfield; bounded on the east by lands formerly owned by Arthur S. Nobles; on the south by the Highway and lands formerly owned by Statira Teeter and now owned by Ruth Place; on the west by lands formerly owned by Statira Teeter and Benjamin Hungerford and now owned by Ruth Place; on the north by the Highway containing eighty-two (82) acres of land, more or less, being the same premises of which John A. Nobles died seized.

Being the same premises conveyed by Warranty Deed recorded in Tompkins County Clerk's Office in Book 266 of Deeds at Page 449. Being the same premises conveyed by deed recorded in Tompkins County Clerk's Office in Book 156 of Deeds at Page 8 and in Book 199 of Deeds at Page 506; and to Don Nobles by deed recorded in Book 204 of Deeds at page 522.

Less & Except all that tract or parcel of land situate in the Town of Enfield, County of Tompkins and State of New York, more particularly bounded and described as follows: Beginning at a point in the centerline of Griffin Road, which point is located easterly along the centerline of Griffin Road a distance of 1,899 feet, more or less, from its intersection with the centerline of Black Oak Road, and which point of beginning is at the southeast corner of premises reputedly now or formerly of Stanley C. Shaw, Jr. and Mary Lou Shaw (619/801);

Thence running North 06 degrees 30 minutes East a distance of 350 feet to a point marked by an iron pipe;

Thence running South 83 degrees 30 minutes East a distance of 617 feet to a point marked by an iron pipe;

Thence running South 06 degrees 30 minutes West a distance of 350 feet to a point in the centerline of Griffin Road;

Thence running North 83 degrees 30 minutes West, and along the centerline of Griffin Road, a distance of 617 feet to the point or place of beginning; Containing 4.96 acres of land, more or less.

Subject to all easements and encumbrances of record.

Wind Lease

Being the premises conveyed to Daniel R. Everhart by Arthur C. Everhart and Aline M. Everhart by Warranty Deed of Correction dated February 22, 1993 and recorded February 26, 1993 in the Tompkins County Clerk's Office in Liber 694, Page 315.

Less and Except all that tract or parcel of land situate in the Town of Enfield, County of Tompkins and State of New York being a part of Lot No. 73 in said Town of Enfield, bounded and described as follows: Beginning at a point in the center line of the Connecticut Hill Road, said point being located easterly a distance of 1,397 feet more or less from the intersection of its intersection with the center line of Black Oak Road, said point of beginning also being the northeast corner of premises now or formerly of the Bible Baptist Church of Ithaca and Enfield (615/509); thence north 88 degrees 07 minutes 50 seconds east along the center line of the Connecticut Hill Road a distance of 210 feet to a point; thence south 01 degrees 28 minutes 46 seconds east, said course passing through a set iron pin at 30 feet a total distance of 235 feet to a set iron pin; thence south 88 degrees 07 minutes 50 seconds west a distance of 210 feet to a set iron pin in the easterly line of the Bible Baptist Church; thence north 01 degrees 28 minutes 46 seconds west along the east line of said Bible Baptist Church and along a fence, said course passing through an iron pipe at 205 feet a total distance of 235 feet to a point in the center line of Connecticut Hill Road, the point or place of beginning containing 1.01 acres of land more or less.

Being the same premises conveyed to Phillip R. Allen and Tania M. Allen in Warranty Deed dated January 29, 1997 and recorded in Tompkins County Clerk's Office on January 29, 1997 in Book 789 of Deeds at Page 140. Being a portion of the same premises conveyed to the grantors herein by deed dated April 3, 1943 and recorded April 3, 1943 in the Tompkins County Clerk's Office in Liber 266 of Deeds at page 449.

PARCEL II:

All that tract or parcel of land situate in the Town of Enfield, County of Tompkins and State of New York, being a part of Great Lot No. 73 in the above mentioned Town of Enfield beginning 47 chains west from the northeast corner of the above mentioned lot No. 73 which point is the northwest corner of the premises first described in a Deed from Wayne Miller and Ella E. Miller to L. Dale Drew and Merle Drew dated and recorded May 31, 1950 in Tompkins County Clerk's office in Liber 331 of Deeds at Page 555; running thence south and along the west line of premises conveyed by Miller 2,340 feet; thence east 455 feet; thence north and parallel to the course first drawn 2,340 feet; thence west 455 feet to the point or place of beginning.

Being the same premises conveyed to Arthur C. Everhart and Aline M. Everhart by Warranty Deed dated April 2, 1962 and recorded April 6, 1962 in Book 439 of Deeds at Page 526.

Subject to all easements and encumbrances of record.

END OF EXHIBIT "A"