

2017-012973

Klamath County, Oregon

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Prepared by: Jennifer L. Kerrigan
Return to: Heelstone Energy
101 N. Chestnut St., Suite 113
Winston-Salem, NC 27101

STATE OF OREGON)

)

MEMORANDUM OF GROUND LEASE

COUNTY OF KLAMATH)

THIS MEMORANDUM OF GROUND LEASE ("Memorandum") is entered into this 9 day of November, 2017, between **HEELSTONE PROPERTIES, LLC**, a Delaware limited liability company (the "Landlord"), and **OR SOLAR 3, LLC**, a Delaware limited liability company ("Tenant")

1. Pursuant to that certain Lease Agreement dated November 09, 2017 (the "Lease") and as may be further amended from time to time, Landlord leased to Tenant the real property described below upon the terms and conditions set forth in the Lease.
2. Capitalized terms used herein, and not otherwise defined, shall have the same meanings assigned to them in the Lease. All of the terms and conditions of the Lease are incorporated herein by this reference.
3. The Initial Term of the Lease began on November 09 2017, and shall terminate on October 31, 2036.
4. Tenant may extend the Initial Term for five (5) additional five (5) years periods (each a "Renewal Term" and collectively, the "Renewal Terms") by providing written notice to Tenant prior to the expiration of the Initial Term or immediately preceding a Renewal Term.
5. The Lease obligates Landlord to lease to Tenant that certain property containing approximately 78.06 acres, located in Malin, Klamath County, Oregon bearing tax parcel identification number R109199, Tax Map No. R-4112-00900-00900-000, said leased premises being legally described as set forth on the attached Exhibit A, together with all improvements, fixtures, personal property and trade fixtures located thereon, together with all other appurtenances,

tenements, hereditaments, rights and easements pertaining to the premises and the improvements now or in the future located thereon (collectively referred to as the "Leased Premises"), to be occupied and used upon the terms and conditions set forth in the Lease.

6. Any Improvements constructed or placed on the Leased Premises by Tenant shall be owned and remain the sole property of Tenant, and may be replaced, repaired or removed at any time by Tenant during the Term. Landlord acknowledges and agrees that despite that portions of the Improvements may be affixed to the Leased Premises, (i) Tenant is the exclusive owner and operator of the Improvements and the Solar Operations, (ii) the Improvements and Solar Operations shall not be construed to be a fixture and (iii) Tenant is the exclusive owner of the electricity generated by the Solar Operations and any environmental attributes and environmental incentives of the Solar Operations. Landlord has no right, title or interest in the Solar Operations and has waived any and all rights it may have to place a lien on the Solar Operations and/or Improvements.
7. Landlord has granted certain easement rights over and across any adjacent property that may be owned or controlled by Landlord after the date hereof (the "Adjacent Property"). Landlord acknowledges and agrees that access to sunlight ("Sunlight") is essential to the value to Tenant of the rights granted in this Lease and is a material inducement to Tenant in entering into this Lease. Landlord shall not engage in or permit others to engage in activities on the Adjacent Property that could adversely affect Sunlight, including but not limited to the construction of any structures, or allow the growth of foliage.
8. Nothing contained herein shall modify the Lease, and in the event of a conflict between the provisions of the Lease and the provisions of this Memorandum, the provisions of the Lease shall control.


[SEPARATE SIGNATURE PAGE AND NOTARY PAGES ATTACHED]

**SEPARATE SIGNATURE PAGE TO
MEMORANDUM OF GROUND LEASE**

IN WITNESS WHEREOF, the undersigned have executed this Memorandum of Lease by authority duly given and effective as of the date first written above.

LANDLORD:

HEELSTONE PROPERTIES, LLC, a Delaware
limited liability company

By: 
William B. Owens, Jr., Vice President

STATE OF LOUISIANA


PARISH OF E. BATON ROUGE

I, the undersigned notary, certify that the following person personally appeared before me this day, acknowledging to me that he or she voluntarily signed the foregoing document for the purposes stated therein and in the capacity indicated: William B. Owens, Jr. as the Vice President of **HEELSTONE PROPERTIES, LLC**.

Date: October 31, 2017
Clinton G. Healey

Notary Public, ID #146950
East Baton Rouge Parish
State of Louisiana
My commission is for life.

(Official Seal)


Notary Public


My Commission Expires: at death

**SEPARATE SIGNATURE PAGE TO
MEMORANDUM OF GROUND LEASE**

IN WITNESS WHEREOF, the undersigned have executed this Memorandum of Lease by authority duly given and effective as of the date first written above.

TENANT:

OR SOLAR 3, LLC

By: 
William B. Owens, Jr., Vice President

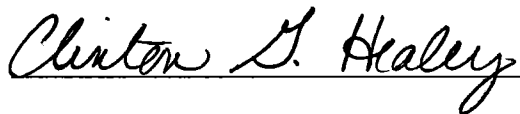
STATE OF LOUISIANA

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Date: October 31, 2017

Clinton G. Healey
Notary Public, ID #146950
East Baton Rouge Parish
State of Louisiana
My commission is for life.
(Official Seal)



Notary Public

My Commission Expires: at death

Exhibit A
Memo of Lease

[Leased Premises]

ALL THAT CERTAIN PARCEL OF LAND, SITUATE WITHIN THE S 1/2 SW 1/4 OF SECTION 9, TOWNSHIP 41 SOUTH, RANGE 12 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A 5/8" REBAR WITH A YELLOW PLASTIC CAP MARKED "DEP PUB WKS LS 659" IN A MONUMENT CASE, MARKING THE S 1/4 CORNER OF SAID SECTION 9;

THENCE NORTH 44°46'29" WEST, 42.50 FEET TO A 5/8" REBAR WITH ALUMINUM CAP STAMPED "LS 79495" MARKING THE INTERSECTION OF THE NORTHERLY RIGHT-OF-WAY OF DEMERRITT COUNTY ROAD 1168 AND THE WESTERLY RIGHT-OF-WAY OF TURKEY HILL COUNTY ROAD 1167 (DRAZIL ROAD) AND THE POINT OF BEGINNING;

THENCE ALONG THE NORTHERLY RIGHT-OF-WAY OF DEMERRITT COUNTY ROAD 1168, NORTH 89°40'21" WEST, 2574.71 FEET TO A 5/8" REBAR WITH ALUMINUM CAP STAMPED "LS 79495";

THENCE DEPARTING SAID NORTHERLY RIGHT-OF-WAY, NORTH 00°28'47" EAST, 686.97 FEET TO A 5/8" REBAR WITH ALUMINUM CAP STAMPED "LS 79495";

THENCE NORTH 89°31'13" WEST, 65.00 FEET TO A 5/8" REBAR WITH ALUMINUM CAP STAMPED "LS 79495", BEING ON THE WESTERLY LINE OF SAID SECTION 9;

THENCE ALONG SAID WESTERLY SECTION LINE, NORTH 00°28'47" EAST, 620.98 FEET TO A 5/8" REBAR WITH ALUMINUM CAP STAMPED "LS 79495", LOCATED ON THE EAST-WEST CENTERLINE OF THE SW 1/4 OF SAID SECTION 9;

THENCE DEPARTING SAID WESTERLY SECTION LINE, ALONG SAID EAST-WEST CENTERLINE, SOUTH 89°37'33" EAST, 2631.57 FEET TO A 5/8" REBAR WITH ALUMINUM CAP STAMPED "LS 79495", LOCATED ON THE WESTERLY RIGHT-OF-WAY OF TURKEY HILL COUNTY ROAD 1167 (DRAZIL ROAD);

THENCE DEPARTING SAID EAST-WEST CENTERLINE, ALONG SAID WESTERLY RIGHT-OF-WAY, SOUTH 00°07'24" WEST, 1305.99 FEET TO THE POINT OF BEGINNING.

CONTAINING AN AREA OF 78.06 ACRES, MORE OR LESS.

Also being known as:

THE S 1/2 SW 1/4, SECTION 9, TOWNSHIP 41 SOUTH, RANGE 12 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON.

SAVING AND EXCEPTING THEREFROM THAT PORTION THEREOF CONVEYED TO THE UNITED STATES OF AMERICA BY DEED RECORDED AUGUST 4, 1930 IN BOOK 91 AT PAGE 553, DEED RECORDS OF KLAMATH COUNTY, OREGON.

EXCEPTING THAT PORTION LYING WITHIN THE BOUNDARIES OF USBR 10-D-1 DRAIN.

ALSO SAVING AND EXCEPTING THEREFROM THAT PORTION LYING WITHIN THE BOUNDARIES OF DEMERRITT COUNTY ROAD 1168 AND TURKEY HILL COUNTY ROAD 1167.