



effective and binding on Guarantor upon the Commercial Operation Date. "Commercial Operation Date" means the date on which Developer begins selling electrical energy generated by substantially all of the wind turbines to be included in the Project to a third party power purchaser, excluding, however, electric energy delivered to such third party power purchaser in connection with any testing, start-up or commissioning.

2. ELIGIBILITY: EXERCISE OF GUARANTEE. Property containing a permanent dwelling that is within one-half mile of the foundation of any wind turbine that is part of the Project, as measured from the point of the dwelling foundation closest to the wind turbine to the center of the wind turbine foundation, is covered by this Guarantee, to the extent the dwelling was constructed and occupied as a dwelling on \_\_\_\_\_, 2015, the date Livingston County signed Ordinance No. \_\_\_\_\_ approving the Project ("Ordinance Date"). Owners of such Property who were owners of record as of the Ordinance Date ("Property Owners"), or their legitimate heirs, are eligible to exercise this Guarantee. In the event that the Property Owners wish to sell their eligible Property, and exercise the Guarantee set out in this Agreement, they shall notify Guarantor of same in writing by certified mail and thereafter they shall make a good faith effort to sell said Property by entering into a listing contract with a licensed real estate broker pursuant to the terms herein. Provided, however, that a person that has entered into a wind easement or a neighbor agreement for such Property in connection with the Wind Project shall not be eligible for a property value pursuant to this Agreement.

3. QUALIFIED PROFESSIONAL APPRAISER. For the purposes of this Agreement, a "qualified professional appraiser" shall mean a person who is licensed by the State of Illinois, not related to the Property Owners, who has not previously taken a position or testified either for or against a wind energy project, who is not an employee or contractor of Pleasant Ridge or its affiliates and does not otherwise have a business relationship with Pleasant Ridge or its affiliates, and who holds either the MAI, SRA or SRPA designation from the Appraisal Institute. All appraisal reports shall conform to the Code of Professional Ethics and Uniform Standards of Professional Appraisal Practice of the Appraisal Institute.

4. AGREED TO ASKING PRICE. The ASKING PRICE is the fair market value of the Property at the time the Property Owner decides to sell. The ASKING PRICE of the Property may be mutually agreed to in writing by the Property Owners and the Guarantor. The ASKING PRICE may also be amended by mutual written agreement of the Property Owners and Guarantor at any time.

5. DETERMINATION OF ASKING PRICE BY APPRAISAL. If the parties are unable to agree on the ASKING PRICE of the Property prior to the Property Owner listing the Property for sale, then the Guarantor shall hire, at its expense, a qualified professional appraiser, and shall notify Property Owner of such appraiser. If the Property Owner objects to the Guarantor's choice of appraisers, it shall state those objections, in writing, within thirty (30) days of the notification of the choice of appraiser, to Guarantor. In the event Property Owner reasonably objects, the Guarantor shall

retain another qualified professional appraiser, and proceed as described below.

When a qualified professional appraiser is hired pursuant to this Paragraph 5, he or she shall be instructed to determine the fair market value (which will become the ASKING PRICE) of the Property as follows:

- a. Assume that no wind energy project or commercial wind turbine was located within  $\frac{1}{2}$  mile of the Property, measured as set forth in paragraph 2 above;
- b. Utilize comparable property, developed as the Property was developed as of the Ordinance Date and located a sufficient distance away from the Project so that, in the opinion of the appraiser, the selling price of that property was not influenced by the presence of the Project;
- c. Utilize comparable property, located approximately the same distance from major population centers (such as Pontiac) so that in the opinion of the appraiser the selling price of the comparable property was not influenced by its closer proximity to new or existing population centers.
- d. Establish a fair market value which is based upon the Property as developed on the Ordinance Date (without considering any development or improvements, including new structures, after the Ordinance Date);
- e. Prepare a full appraisal utilizing the form attached hereto as Attachment A, and which conforms to the Code of Professional Ethics and Uniform Standards of Professional Appraisal Practice of the Appraisal Institute;
- f. Prepare the appraisal in full compliance with any and all state standards and state regulations which pertain to the preparation of an appraisal of the Property except those standards and regulations which conflict with these instructions; and

If Property Owner and Guarantor accept the appraised value, then such value shall constitute the ASKING PRICE, and the Property Owners shall offer the above-described Property for sale at no less than that price.

If either the Property Owner or the Guarantor does not accept the appraised fair market value, the non-accepting party may retain a second qualified professional appraiser, of its choice and at its expense, who shall not be made aware of the first appraised value and who shall determine the fair market value of the Property on the basis of Paragraph 4 (a) through (g) above. If both parties do not accept the original

appraisal, they shall agree to the second qualified professional appraiser and split the costs. In the event a second appraised value obtained pursuant to this paragraph is within fifteen percent (15%) of the first appraisal, the ASKING PRICE shall be the arithmetic average of the original appraised value and the second appraised value, unless the Guarantor is unsatisfied with such value.

In such latter event, the first two appraisers shall hire a third qualified professional appraiser, at the sole expense of the Guarantor, who shall not be made aware of either the first or second appraised values, and who shall determine the fair market value of the above-described Property on the basis of Paragraph 4 (a) through (g) above. The ASKING PRICE will then be the arithmetic average of the three appraised values within fifteen percent (15%) of each other and if none are within fifteen percent (15%) of each other the third appraisal shall conclusively determine the ASKING PRICE for the purpose of this Agreement.

6. LISTING WITH BROKER. Property Owners shall utilize the services of a real estate broker who shall be licensed in Illinois, shall not be related to the Property Owners and, unless waived by the Guarantor, shall be a member of the Board of Realtors Multiple Listing Exchange. Property Owners shall give Guarantor notice of the broker with whom they wish to contract and shall obtain Guarantor's approval of said broker. Guarantor will not unreasonably withhold such approval. If the Guarantor objects to the Property Owners' choice of brokers, it shall state those objections, in writing, to Property Owners. In the event Guarantor reasonably objects, the Property Owners shall choose another broker, and proceed as described above. As sellers of the Property, Property Owners shall be responsible for the broker's fee. Nothing herein shall prevent the Property Owner from marketing the Property at a value higher than the ASKING PRICE as determined herein.

7. TERM OF LISTING. Property Owners shall list the Property, at the ASKING PRICE as determined in Paragraphs 4 or 5 above, or at a higher value. During the listing term, Property Owners shall accept any offer of purchase for the ASKING PRICE, or any offer of purchase otherwise acceptable to the Guarantor. Property Owners shall maintain the Property in good and marketable condition during the listing period.

Said listing contract shall provide: (a) that the broker shall list the Property in the multiple listing exchange; (b) that the Property will be so listed until the occurrence of either the (i) sale of the Property or (ii) expiration of a period of 270 days; (c) that the broker shall hold an open house periodically for the Property; (d) that the broker shall report the marketing efforts undertaken to the Guarantor; and (e) that the broker shall not be entitled to any commission after the expiration of the listing contract.

The Property Owners shall cooperate with the broker in obtaining a purchaser pursuant to the terms set forth in the listing agreement and shall make, in good faith, all reasonable efforts necessary to conclude a sale pursuant to the said terms.

8. OFFERS TO PURCHASE. The Property Owners shall accept any offer of purchase for the ASKING PRICE and, in such event, Guarantor will have no liability to Property Owners. Property Owners shall provide the Guarantor with written notification of every Offer to Purchase that they receive for the Property and agree, for a period of 270 days, not to accept any offer below the ASKING PRICE without the express written approval of the Guarantor. In no event shall the Property Owners entertain anything other than good faith, bona fide offers of purchase.

9. GUARANTOR'S CONSENT TO PURCHASE. Guarantor shall have the right to make counter offers on any offers of purchase which are below the ASKING PRICE. In the event the purchaser accepts any such counter offer made or requested by the Guarantor, or in the event the Guarantor otherwise consents to a sale of the Property below the ASKING PRICE, the Guarantor shall pay the Property Owners, at closing, the difference between the ASKING PRICE and the gross sales price (without deduction of any broker's commission) so established.

10. SALE WITHOUT GUARANTOR'S CONSENT. If the Property Owners have not received an offer of purchase at the ASKING PRICE within 270 days of listing the Property for sale, or the Guarantor has not consented to the sale of the Property below the ASKING PRICE, the Property Owners may sell the Property at the highest offer of purchase still pending or at the next good faith bona fide offer to purchase. It shall notify the Guarantor, in writing, of its intention to accept such offer.

11. PROPERTY OWNER'S CLAIM. After closing, if the Property has sold for less than the ASKING PRICE, as determined herein, and Property Owner reasonably believes that the reason for such lowered value is because of the Property's proximity to the Project, it shall make a claim to the Guarantor, requesting payment for the difference between the ASKING PRICE and the gross sales price (without deduction of any broker's commission). Within thirty days of such request, Guarantor shall pay the Property Owner the difference unless Guarantor, within that time, has invoked the procedures set forth in Paragraph 12.

12. GUARANTOR APPEAL. Within thirty (30) days of receipt of any claim from Property Owner pursuant to Paragraph 11 above, if Guarantor has a reasonable good faith belief that the difference in value between the ASKING PRICE and purchase price was not attributable to the Property's proximity to the Project, it shall notify the Property Owners, by certified letter. Within thirty days of the Property Owner's receipt of such notice, the Guarantor shall initiate mediation via an independent third-party neutral, at Guarantor's expense, for the purpose of making a determination of whether (and to what extent) the difference in value between the ASKING PRICE and the actual sales price is caused by factors other than the Project, which determination shall be binding. To the extent the difference in value is determined to be caused by other than the Project, the difference between the ASKING PRICE and the sales price which is guaranteed shall be reduced.

13. TERMINATION OF GUARANTOR'S OBLIGATIONS. This Agreement

shall terminate and Guarantor shall have no obligations hereunder from and after the fifth anniversary of the Project's Commercial Operation Date.

14. ASSIGNMENT OR TRANSFER. Neither this Agreement nor the rights under it may be assigned, conveyed, or otherwise transferred by Property Owners. This Agreement shall only apply to a "first sale" by the Property Owners, and not to any second or subsequent sales of the Property. The guarantee given by Guarantor to guarantee the Property value and to purchase the Property is personal, and does not run with the land; however, said Agreement shall inure to the benefit of the Property Owners, their personal representatives, trustees, guardians, custodians or their heirs; but, in all events, shall terminate as described in Paragraph 13.

15. APPLICATION OF LAW; DISPUTES. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois. Disputes concerning the application or terms of this Agreement shall be subject to the jurisdiction of the Circuit Court of Livingston County.

**GUARANTOR:**

ATTEST:

Pleasant Ridge Energy LLC

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

\_\_\_\_\_  
Its: \_\_\_\_\_

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

**PROPERTY OWNERS:**

WITNESS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_

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