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Debbie B. Johnson, Iron County Recorder - Page 1 of 8

11/30/2016 02:47:06 PM By: AMERICAN FIRST ESCROW & TITLE

Recording Requested by,
and After Recording, Return to:

Parr Brown Gee & Loveless
101 South 200 East, Suite 700
Salt Lake City, Utah 84111
Attn: Robert A. McConnell, Esq.

APNs: Portions of D-433-2, E-64-8 and E-64-9

(Space Above this Line for Recorder's Use Only)

**MEMORANDUM OF OPTION AGREEMENT
FOR LEASE AND EASEMENT OVER REAL ESTATE**

THIS MEMORANDUM OF OPTION AGREEMENT FOR LEASE AND EASEMENT OVER REAL ESTATE (this "Memorandum") is dated as of November 22, 2016 (the "Effective Date"), by and between **SOUTHERN UTAH SOLAR PROPERTY, LLC**, a Utah limited liability company ("Optionor"), and **APPALOOSA SOLAR I, LLC**, a Delaware limited liability company ("Optionee").

RECITALS

A. Optionee and Optionor entered into that certain Option Agreement for Lease and Easement over Real Estate dated of even date herewith (the "Agreement"), which by its terms grants to Optionee an option to lease the land more particularly described on the attached Exhibit A-1 and incorporated herein by this reference (the "Lease Property") and acquire an easement over the land more particularly described on the attached Exhibit A-2 and incorporated herein by this reference (the "Easement Property", and together with the Lease Property, the "Property").

B. Optionee and Optionor have executed and acknowledged this Memorandum for the purpose of providing constructive notice of the Agreement.

C. Capitalized terms used but not otherwise defined in this Memorandum shall have the meanings assigned to them in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Optionor and Optionee provide record notice of the following:

1. **Grant of Option and Option Term.** In the Agreement, Optionor grants to Optionee an exclusive, irrevocable option to lease the Lease Property for power plant purposes ("Lease Option") and acquire an easement over the Easement Property for power plant purposes, more specifically transmission and access purposes ("Easement Option"). The rights granted in the Agreement begin on the Effective Date, and the option may be exercised at any time on or prior to the fifth (5th) anniversary of the Effective Date (the "Option Term").

2. **Manner of Exercise.**

(a) **Lease Option.** Optionee may exercise its Lease Option at any time during the Option Term by signing, notarizing and recording in the real property records of the County where the Property is located (the "Records") a notice of exercise of option (a "Notice of Exercise"). Upon such recording in the Records of a Notice of Exercise by Optionee, the Power Plant Ground Lease shall become immediately effective and binding upon the Property, Optionor and Optionee without any further act or action of either Party.

(b) **Easement Option.** Optionee may exercise its Easement Option at any time during the Option Term by tendering to Optionor a draft transmission and access easement agreement that includes a legal description of the easement area ("Transmission Easement"). Once the form and substance of the Transmission Easement have been finalized and the Transmission Easement executed, Optionee may record the Transmission Easement in the Records.

3. **Lapse of Option.** If Optionee does not exercise either the Lease Option or the Easement Option by 5:00 p.m. local time (where the Property is located) on the fifth (5th) anniversary of the Effective Date, then in accordance with the terms of the Agreement, the Agreement shall automatically terminate as to all of the Property and such unexercised Option, or both the Lease Option and the Easement Option if neither is timely exercised, as applicable, without further action by any Party or the necessity of recording any further documentation, and the rights granted by Optionor to Optionee in the Agreement shall be of no further force or effect.

4. **Feasibility Studies.** During the Option Term, and at Optionee' sole cost, Optionee shall be entitled to make such investigations, examinations and studies of the Property as Optionee deems necessary or desirable (the "Feasibility Studies"), including without limitation, review and approval of the condition of title, any lease or sublease affecting the Property, any contract or other commitment with respect to the Property, tax and appraisal issues, preliminary construction issues, soils tests and studies, environmental site assessments, surveys, performing drilling, excavation, push-pull tests and other geotechnical activities and studies on, in, and under the Property, and land use and energy development regulatory issues. Optionor shall provide Optionee with such cooperation, at no out-of-pocket cost to Optionor, as Optionee may reasonably require in connection with the Feasibility Studies for the Property.

5. **Covenant by Optionor.** Optionor hereby covenants to and for the benefit of Optionee that neither Optionor nor any of its agents (including without limitation employees, directors, officers, shareholders or any other representatives of Optionor) shall contract with any other party to lease, sublease, grant any option rights with respect to, or encumber in any way all or any portion of the Property in a manner that would adversely affect the rights of Optionee under the Agreement.

6. **No Conflict.** In the event of any conflict or inconsistency between the provisions of this Memorandum and the provisions of the Agreement, the provisions of the Agreement shall control. Nothing in this Memorandum shall be deemed to amend, modify, change, alter, amplify, limit, interpret or supersede any provision of the Agreement or otherwise limit or expand the rights and obligations of the parties under the Agreement.

7. **Counterparts.** This Memorandum may be executed in two or more counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same instrument.

[SIGNATURES ON FOLLOWING PAGE]

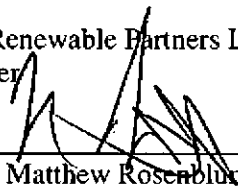
IN WITNESS WHEREOF, Optionee and Optionor have caused this Memorandum to be executed and delivered by their duly authorized representatives as of the Effective Date.

OPTIONEE:

APPALOOSA SOLAR I, LLC,
a Delaware limited liability company

By Onyx Development Group, LLC, its Sole
Member

By Onyx Renewable Partners L.P., its Sole
Member

By: 
Name: Matthew Rosenblum
Title: C.E.O.

OPTIONOR:

SOUTHERN UTAH SOLAR PROPERTY, LLC,
a Utah limited liability company

By: _____
Name: _____
Title: _____

[INSERT ACKNOWLEDGMENTS AS FOLLOWING PAGES]

UNIFORM FORM CERTIFICATE OF ACKNOWLEDGMENT

(Within New York State)

State of New York)

ss.:

County of New York)

On the 28 day of November in the year 2016 before me, the undersigned, personally appeared Matthew Rosenblum, 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 he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

A Danti, November 24, 2016

Signature and Office of individual
taking acknowledgment



IN WITNESS WHEREOF, Optionee and Optionor have caused this Memorandum to be executed and delivered by their duly authorized representatives as of the Effective Date.

OPTIONEE:

APPALOOSA SOLAR I, LLC,
a Delaware limited liability company

By Onyx Development Group, LLC, its Sole
Member

By Onyx Renewable Partners L.P., its Sole
Member

By: _____
Name: _____
Title: _____

OPTIONOR:

SOUTHERN UTAH SOLAR PROPERTY, LLC,
a Utah limited liability company

By: _____
Name: Russell Reber
Title: Manager

[INSERT ACKNOWLEDGMENTS AS FOLLOWING PAGES]

GENERAL CALIFORNIA ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached and not the truthfulness, accuracy, or validity of that document.

State of California }
County of TULARE } ss.

On NOVEMBER 22, 2010 before me BRYN LAWLER
Notary Public (here insert name and title of the officer) personally appeared RUSSELL REBER

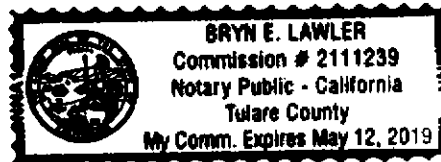
who proved to me on the basis of satisfactory evidence to be the person(s), whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.

Signature

Bryn Lawler

(Seal)



**EXHIBIT A-1
TO
MEMORANDUM OF OPTION AGREEMENT
FOR LEASE AND EASEMENT OVER REAL ESTATE**

Legal Description of the Lease Property

All that real property located in Iron County, Utah, more particularly described as follows:

BEGINNING AT A POINT N89°41'16"W 62.04 FEET AND N31°34'56"W ALONG THE EAST RIGHT-OF-WAY LINE OF LUND HIGHWAY 1852.00 FEET FROM THE EAST QUARTER CORNER SECTION 25 TOWNSHIP 34 SOUTH RANGE 12 WEST S.L.B.&M. THENCE CONTINUING ALONG SAID EAST RIGHT-OF-WAY LINE N31°34'56"W 2412.89 FEET; THENCE N00°00'48"W 3673.05 FEET; THENCE S89°50'51"E 2298.65 FEET TO A POINT ON THE EAST SECTION LINE SECTION 24 SAID TOWNSHIP RANGE AND THE WEST SECTION LINE SECTION 19 TOWNSHIP 34 SOUTH RANGE 11 WEST S.L.B.&M THENCE ENTERING INTO SECTION 19 RUNNING N89°38'32"E 2733.32 FEET; THENCE S00°00'23"E 627.26 FEET; THENCE S44°51'53"W 90.43 FEET; THENCE S89°59'29"W 1295.86 FEET; THENCE S00°00'48"W 1548.32 FEET; THENCE S44°59'49"W 90.59 FEET; THENCE N89°59'00"W 646.12 FEET; THENCE S00°00'08"E 1387.52 FEET; THENCE S89°58'33"E 645.90 FEET; THENCE S45°01'36"E 90.75 FEET; THENCE S00°00'47"E 121.78 FEET; THENCE S45°01'21"W 90.25 FEET; THENCE S89°55'12"W 101.23 FEET; THENCE S65°52'22"W 120.00 FEET; THENCE S27°44'34"W 496.23 FEET; THENCE S00°03'22"W 1244.23 FEET; THENCE S89°50'03"W 1780.35 FEET; THENCE S63°17'58"W 134.64 FEET TO THE POINT OF BEGINNING AND CONTAINING 429.38 ACRES.

(Approximately 429 acres)

EXHIBIT A-2
TO
MEMORANDUM OF OPTION AGREEMENT
FOR LEASE AND EASEMENT OVER REAL ESTATE

A strip of land approximately three hundred (300) feet wide which shall follow and generally parallel, as closely and for as long as is commercially practicable from an engineering, construction feasibility and cost perspective, the easement area described in that certain Transmission and Access Easement Agreement by and between Optionor and Three Peaks Power, LLC dated the 22nd day of January, 2016, and recorded in the Records on April 7, 2016 at Book 1340, Page 580, as Instrument No. 00681875, and that crosses and affects that real property located in Iron County, Utah, more particularly described as follows:

BEGINNING AT THE WEST QUARTER CORNER OF SECTION 25, T34S-R12W, S.L.B.&M., RUNNING THENCE N00°00'11"E ALONG THE WEST SECTION LINE, SAID SECTION 25, 1998.17 FEET; THENCE DEPARTING SAID WEST SECTION LINE RUNNING S89°49'43"E 1650.00 FEET; THENCE N00°00'11"E 660.00 FEET TO A POINT ON THE NORTH LINE SAID SECTION 25; RUNNING THENCE S89°49'43"E ALONG SAID NORTH LINE 1005.23 FEET TO THE NORTH QUARTER CORNER; THENCE CONTINUING ALONG SAID NORTH LINE RUNNING S89°35'00"E 829.32 FEET TO THE WEST RIGHT-OF-WAY LINE OF LUND HIGHWAY; THENCE S31°34'56"E ALONG SAID WEST LINE LUND ROAD 1568.50 FEET SAID POINT BEING ON SAID WEST LINE AND THE CENTERLINE OF A 66.00 FEET ROAD; RUNNING THENCE WEST ALONG SAID CENTERLINE 2335.67 FEET; THENCE DEPARTING SAID CENTERLINE ROAD RUNNING S56°25'23"W 2365.07 FEET TO THE POINT OF BEGINNING AND CONTAINING 124.74 ACRES. RESERVING AN EASEMENT OVER A PORTION OF SAID PROPERTY FOR A POWER TRANSMISSION LINE DESCRIBED AS FOLLOWS: BEGINNING AT A POINT N00°00'11"E ALONG THE SECTION LINE 106.84 FEET FROM THE WEST QUARTER CORNER SECTION 25, T34S, R12W, S.L.B.&M. THENCE CONTINUING ALONG THE SECTION LINE N00°00'11"E 301.85 FEET; THENCE N55°55'11"E 1930.44 FEET; THENCE N89°59'31"E 2737.65 FEET; THENCE S31°32'27"E 176.45 FEET; THENCE S90°00'00"W 2605.52 FEET; THENCE S55°55'11"W 2201.43 FEET TO THE POINT OF BEGINNING.

BEGINNING AT THE WEST QUARTER CORNER OF SECTION 25, T34S-R12W, S.L.B.&M., RUNNING THENCE N56°25'23"E 2365.07 FEET TO A POINT ON A 100.00 FOOT RADIUS CUL-DA-SAC; THENCE DEPARTING SAID CUL-DA-SAC RUNNING N90°00'00"E ALONG THE CENTERLINE OF A 66.00 FOOT ROAD 2335.67 FEET TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF LUND HIGHWAY; THENCE DEPARTING SAID 66.00 FOOT ROAD RUNNING S31°34'56"E ALONG THE WEST LINE OF LUND ROAD 1568.23 FEET TO A POINT ON THE EAST-WEST QUARTER SECTION LINE SAID SECTION 25; THENCE DEPARTING SAID WEST LINE RUNNING N89°41'16"W ALONG SAID QUARTER SECTION LINE 5127.51 FEET TO THE POINT OF BEGINNING AND CONTAINING 113.43 ACRES.