

FACILITY LEASE AGREEMENT

THIS FACILITY LEASE AGREEMENT (this “**Agreement**”) is made and entered into as of the _____ day of August, 2022 (the “**Effective Date**”), by and between MACALESTER PLYMOUTH UNITED CHURCH , a Minnesota nonprofit corporation (the “**Building Owner**”), and LAKE STREET SOLAR MN LLC, a Minnesota limited liability company (the “**Tenant**”). Building Owner and Tenant are hereinafter sometimes also referred to in this Agreement jointly as the “**Parties**”, or individually as a “**Party**”.

RECITALS:

WHEREAS, Building Owner is the owner of certain real property located at 1658 Lincoln Avenue, St Paul MN 55105, presently used as a church and as described on **Exhibit A** attached hereto and incorporated herein by reference (the “**Property**”); and

WHEREAS, Tenant desires to lease from Building Owner, and Building Owner desires to lease to Tenant, subject to the terms and conditions of this Agreement, a portion of the Property for the construction and operation of a solar energy generation system as defined in this Lease Agreement dated of even date herewith (the “**Lease Agreement**”); and

WHEREAS, Building Owner and Tenant will treat this Agreement as a transfer of the ownership of the Energy System for federal tax purposes; and

WHEREAS, The parties hereto contemplate that the Building Owner will enter into an Electric Service Agreement that includes the Photovoltaic Demand Credit Rider (the “**PV Rider Contract**”) with respect to the Energy System with Northern States Power Company D/B/A Xcel Energy (“**Xcel Energy**”), a Minnesota corporation;

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual promises of the Parties hereto and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. Energy System and Leased Space. Building Owner hereby leases from Tenant the Solar Photovoltaic Energy System (the “**Energy System**”) described in **Exhibit B**, and Building Owner hereby leases to Tenant all roof space required for the installation and operation of the Energy System on the building located on the Property (the “**Leased Space**”), including rights to place wiring to the point of electrical interconnection. The Energy System and the Leased Space together constitute the “**Leased Property**”.

Section 2. Payments for Lease of Energy System. As payment for the lease of the Energy System, Building Owner shall pay to Tenant the Power Purchase payments as required in the Power Purchase Agreement between Building Owner and Tenant executed on the same date as this Lease.

Section 3. Access to Leased Space. Building Owner grants to Tenant the right to access the Leased Space via reasonable route or routes over and across the Property upon reasonable prior notice to

Building Owner. Building Owner will cooperate with Tenant to ensure access to the meter or any other part of the Energy System which are not located within the Leased Space.

Section 4. Permitted Use of Leased Space. During the Term, Tenant shall have the exclusive right to use the Leased Space for the construction, installation, operation, maintenance, repair, replacement, relocation, reconfiguration, alteration, modification, improvement, use and enjoyment of the Energy System and other necessary and incidental uses for the operation of the Energy System (the “**Permitted Uses**”). Tenant may not erect any other facilities or use any other equipment on the Leased Space that is not expressly permitted under the terms of this Agreement without first obtaining Building Owner’s written consent, which consent shall not be unreasonably withheld, delayed or conditioned provided the other facilities or equipment are necessary for the operation of the Energy System.

Section 5. Term. This Agreement shall be in effect beginning on the Effective Date and shall expire on the date that is 20 years after the approved for completion by Xcel Energy (the “**Commencement Date**”). The Tenant shall give the Building Owner written notice of the Commencement Date when the Energy System has been approved for operation by Xcel Energy. Within thirty (30) calendar days after the Commencement Date, Building Owner and Tenant shall execute a document setting forth the Commencement Date and the actual square footage of the Leased Space as of the Commencement Date, which shall be attached to and constitute a part of this Agreement, though failure to execute such description shall not constitute a default or a breach of this Lease.

Section 6. Rent of Leased Space. Lease payments for the Leased Space, paid by Tenant to Building Owner, are equal to 20% of the value of the energy produced by the Energy System using the rates set forth in the Power Payment Schedule in Exhibit A attached to the Power Purchase Agreement. The lease payments are incorporated into the Power Payment Schedule rather than paid outright by Tenant to Building Owner. Tenant’s delivery of energy to Building Owner at the rates set forth in the Power Purchase Agreement fully satisfies Tenant’s rent payment obligation. Tenant shall not be required to make any additional payments to Building Owner.

Section 7. Operating Permits. Tenant shall, at its sole expense, maintain in full force and effect all certificates, permits and other approvals (“**Operating Permits**”) required by any federal, state or local authorities (“**Governmental Authorities**”) having jurisdiction over Tenant or the Leased Space. If any required Operating Permits are canceled, expire, lapse or are otherwise withdrawn or terminated by any Governmental Authority so that Tenant is unable to operate the Energy System on the Leased Space and the Operating Permits are not reinstated within 30 days after Tenant receives written notice thereof, Building Owner may terminate this Agreement upon 30 days written notice to Tenant. Tenant shall provide to Building Owner at its request a copy of any required Operating Permits.

Section 8. Ownership and Maintenance of Energy System. (a) Energy System. The Parties agree that after 20-year lease term, Tenant shall leave the Energy System at the end of the Term in substantially the same condition as existed on the Commencement Date, with the exception of any ordinary wear and tear and casualty damage.

(b) Repair of Energy System During Term. Tenant shall have the right at any time during the Term to repair, relocate, reconfigure, alter, modify or replace the Energy System. Tenant shall repair any damage to the Property, with contractors approved by Building Owner that results from its repair, relocation, reconfiguration, alteration, modification or replacement of the Energy System, and Tenant shall make best efforts to maintain electricity production from the Energy System as projected at initial installation. Building Owner shall not withhold such contractor approval unreasonably. Building Owner shall have the further right at any time to access the Leased Space to inspect, maintain or repair the roof

and components thereof. Tenant, at Builder Owner request and at Building Owner cost, shall temporarily remove such components of the Energy System as will interfere with the Building Owner's inspection, maintenance or repair of Building Owner's roof, and Tenant shall replace such components upon Building Owner's notice that such work of the Building Owner is complete. Building Owner shall give 60 days' notice to Tenant of any such maintenance or repair work to be done, unless in an emergency, in which case Building Owner shall give such notice as is possible. If Tenant shall fail to remove any interfering components of the Energy System, Building Owner shall have the right to do so, provided that any damage to the Energy System caused by Building Owner, and which is not inherent in the removal process, shall be at Building Owner's cost.

(c) Tenant Maintenance Obligations. Tenant, at Tenant's sole cost and expense, agrees to keep and maintain, or cause to be kept and maintained, the Energy System in good condition and repair, excepting in the case of casualty, in which case Tenant agrees to repair the Energy System to the extent of available insurance proceeds resulting from such casualty. Tenant shall pay, when due, all claims for labor or materials furnished to or for Tenant for which claims are or may be secured by any mechanic's or materialmen's liens against the Leased Space or the Property. Tenant shall notify Building Owner at least 10 days prior to the commencement of construction of any Tenant's work and Building Owner shall have the right to post and record a notice of non-responsibility in conformity with applicable law. In the event any lien is filed against the Leased Space or any portion thereof or against Tenant's leasehold interest therein, Tenant shall obtain the release and/or discharge of said lien (which may be by procurement and recordation of a mechanic's lien release bond meeting the requirements of Minnesota Statutes § 514.10), within 10 days after the filing thereof. In the event Tenant fails to do so, Building Owner may obtain the release and/or discharge of said lien and Tenant shall indemnify Building Owner for the costs thereof, including reasonable attorney's fees, together with interest at the Applicable Federal Rate, as published monthly by the Internal Revenue Service, from the date of demand. Nothing herein shall prohibit Tenant from contesting the validity of any such asserted claim, provided Tenant has furnished to Building Owner a lien release bond freeing the Premises from the effect of the lien claim. It is the responsibility of Tenant to take all necessary actions to ensure that Tenant's employees have a safe work environment and comply with all government regulations. Tenant shall indemnify and hold harmless Building Owner from any claims, damages, losses and expenses arising from Tenant's employees activities; provided however, that such indemnification obligation shall not apply to any such claims, damages, losses and expenses arising from the gross negligence or intentional misconduct of Building Owner and Building Owner's employees, invitees, agents and contractors.

(d) Utilities. Prior to installation, Tenant shall pay all taxes and assessments levied upon the Energy System and other personal property located and/or installed on the Property by Tenant; and Tenant shall provide Building Owner copies of receipts for payment of all such taxes and assessments.

Section 9. Interference. (a) Interference by Tenant. Tenant shall operate the Energy System in a manner that will not unreasonably interfere with any prior existing operations or equipment located, operated or owned by the Building Owner or any other permitted occupants ("**Existing Operations**"). All operations by Tenant shall be lawful and in compliance with all regulations and requirements of the Minnesota Public Utilities Commission, as well as any other applicable state, federal or local regulations and requirements ("**Legal Requirements**"); provided however, that minor violations of Legal Requirements that do not result in an adverse effect on the Building Owner, the other permitted occupants, the Property or the Leased Space shall not constitute a default by Interference by Tenant under this Agreement.

(b) Interference by Building Owner. Subsequent to the installation of the Energy System, Building Owner shall not, and shall not cause or permit any other persons or parties to, install equipment or

facilities or construct or allow any construction of a structure or structures (“**New Construction**”) near the Leased Space if such New Construction will interfere with the Energy System as determined by Tenant in its sole discretion. Building Owner shall not move, modify, remove, adjust, alter, change, replace, reconfigure or operate the Energy System, or any part of it, during the term of the Agreement, without prior written direction or approval of Tenant, except if there is an occurrence reasonably deemed by the Building Owner to be a bona fide emergency, in which case Building Owner will immediately notify Tenant of such emergency and Building Owner’s proposed actions, and this section is further subject to the requirements of Section 10(b) of this Agreement. Building Owner shall be responsible for any damage to the Energy System caused by the gross Negligence or intention misconduct of Building Owner or Building Owner’s employees, invitees or agents, and shall promptly pay all costs to repair such damage to the Energy System and shall immediately notify Tenant of any such occurrence.

Section 10. Environmental Provisions. (a) Definitions.

(i) “Environmental Law” shall mean any applicable federal, state, regional or local law, regulation, decision of the courts, ordinance, rule, code, order, directive, guideline, permit, or permit conditions which as of the date of this Agreement relates in any way to worker or workplace safety, environmental conditions, environmental quality or policy, or health and safety issues or concerns (including product safety), including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, (42 USC, §§9601 et seq.), the Resource Conservation and Recovery Act (42 USC, §§6901 et seq.), the Toxic Substance Control Act (29 USC §§2601, et seq.), the Occupational Safety and Health Act (29 USC §§651 et seq.), the Minnesota Occupational Safety and Health Act (Minnesota Statutes §§182 et seq.), and applicable regulations or rules promulgated thereunder.

(ii) “Hazardous Material” shall mean any chemical, substance, material, controlled substance, object, condition, solid or hazardous waste or combination thereof which is hazardous to human health or safety or the environment due to its ignitability, corrosiveness, reactivity, toxicity, or other harmful or potentially harmful properties or affects, including but not limited to any flammable explosives, radioactive materials, hazardous wastes, toxic substances or related materials, and substances defined as “hazardous substances,” “hazardous material,” “hazardous wastes,” or “toxic substances” in, under or pursuant to any Environmental Law (as that term is defined above), oil or petroleum and petroleum products, asbestos, and any asbestos containing materials, radon, polychlorinated biphenyls (PCBs), urea formaldehyde insulation, lead paints and coatings, and all of those chemicals, substances, materials, controlled substances, objects, conditions and waste or combinations thereof which as of the date of this Agreement are listed, defined or regulated in any manner by any applicable federal, state or local Environmental Law (as that term is defined above). For purposes of this Agreement, the terms “encumbrance” and “encroachment” shall not be deemed to include the presence of any Hazardous Material contamination on, in or under the Property or its underlying groundwater.

(b) Indemnification for Hazardous Materials. If during preparation for or construction of the Energy System, any Hazardous Materials are identified in, on or under the Property, construction shall cease immediately, and Tenant shall notify Building Owner of the presence of Hazardous Materials in writing. Building Owner shall determine the nature and extent of the Hazardous Materials and Building Owner shall comply with all Environmental Laws regarding the Hazardous Materials. If it is determined that Tenant was responsible for the deposit of the Hazardous Materials on the Property, Tenant shall be responsible for the investigation and remediation of such Hazardous Materials and shall promptly pay one

hundred percent (100%) of the investigation and remediation costs incurred in connection therewith, otherwise Building Owner shall promptly pay all such investigation and remediation costs.

(c) No Deposit of Hazardous Materials. Each Party shall not and shall not cause or permit any other person or entity to, release, store, bring upon, dispose of or transport to or from the Leased Space any Hazardous Materials or by-products or waste from such Hazardous Materials, except as necessary to operate the Energy System.

Section 11. Insurance. (a) General Liability and Property Insurance. The Building Owner shall be required to maintain property damage insurance on the Leased Property. The Tenant shall not be required to maintain liability or property damage insurance on the Leased Property.

(b) Workers' Compensation Insurance and Employers' Liability Insurance. If the Tenant has any employees, in accordance with Minnesota state law, Tenant shall maintain in force workers' compensation insurance for all of its employees. If the Tenant has any employees, Tenant shall also maintain employer's liability coverage in an amount of not less than One Million Dollars (\$1,000,000.00) per accident.

Section 12. Indemnification by Tenant. Tenant shall indemnify, defend and hold harmless Building Owner and Building Owner's affiliated entities, and each of their respective members, managers, partners, directors, officers, employees, shareholders, lenders, agents, contractors, successors and assigns (individually and collectively, "Building Owner's Parties"), against direct damages, actions, claims, costs, expenses and liabilities, including but not limited to reasonable attorney's fees, costs and expenses (collectively, "Losses") incurred by Building Owner's Parties caused by or arising from Tenant's negligence, malfeasance or willful misconduct in engaging in the Permitted Uses of the Leased Space or Tenant's material breach or default in the performance of Tenant's obligations under this Agreement, except to the extent that such Losses are caused by or arise from Building Owner's or Building Owner's agents, invitees or employees' gross negligence, malfeasance or willful misconduct.

Section 13. Miscellaneous Provisions. (a) Entire Agreement; Amendment. This Agreement constitutes the entire understanding between the Parties with respect to the subject matter hereof, superseding all negotiations, prior discussions and preliminary agreements made prior to the date hereof. This Agreement may not be modified, amended or altered in any way except in a written instrument executed by both Parties.

(b) Section Heading and Construction. The section headings contained in this Agreement shall not be considered to be a part hereof for purposes of interpreting or applying this Agreement but are for convenience only.

(c) Governing Law/Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. Any lawsuit brought in connection with this Agreement (as may be permitted hereunder) shall be brought in the appropriate court of the County of Hennepin, State of Minnesota.

(d) Relationship with PV Rider Contract. No portion of this Agreement is intended to conflict with the PV Rider Contract. In the case of a conflict between the terms or conditions of this Agreement and the PV Rider Contract, the terms and conditions of the PV Rider Contract shall control. Xcel Energy, or its successors and assigns, is a third-party beneficiary of the provisions in this paragraph. Nothing in this Agreement prevents Xcel Energy or its successors and assigns from fully enforcing the terms and conditions of the PV Rider Contract.

(e) Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, successors, and assigns. In the event that Building Owner sells the Property, Building Owner agrees to compel the Buyer to be bound by this Lease.

(f) Attorneys' Fees. If either Party files any action or brings any proceeding against the other arising from or related to this Agreement, then the prevailing party shall be entitled to recover from the other party as an element of its costs of suit and not as damages, reasonable attorneys' fees, costs and expenses incurred in the action or proceeding, including any appeal thereof. The "prevailing party" within the meaning of this section shall mean the Party to the action or proceeding who is entitled to recover its costs of suit for the proceeding, whether or not the same proceeds to final judgment. A Party not entitled to recover its costs shall not recover attorneys' fees, costs or expenses.

(g) Notices. All notices to be given under this Agreement shall be in writing and either:

(i) Sent by a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with this courier, or

(ii) Sent by facsimile or similar means, if a copy of the notice is also sent by United States mail, in which case notice shall be deemed delivered upon transmittal by telecopier or other similar means provided that a transmission report is generated reflecting the accurate transmission of the notices, as follows:

To Building Owner: Lake Street Solar MN LLC
Attn: Amber Naqvi, President
3709 Blackhawk Road
Eagan, MN 55122

To Tenant: Macalester Plymouth United Church
Attn:
1658 Lincoln Avenue
St Paul, MN 55105

Either Party may change the address or persons to which notices are to be sent to it by giving the written notice that such change of address or persons to the other Party in the manner provided for giving Notice.

(h) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original.

(i) Quiet Possession. Building Owner agrees that upon compliance with the terms and conditions of this Agreement, Tenant shall peaceably and quietly have, hold and enjoy the Leased Space for the Term and any extensions thereof.

(j) Authorized Representatives. Each person executing this Agreement on a Party's behalf represents and warrants he or she has been duly authorized to execute the same on such Party's behalf.

(k) Memorandum of Lease. Promptly after execution of this Agreement, the Parties shall cause a Memorandum of Lease in the form attached hereto as **Exhibit C** and incorporated herein by reference to be recorded in the official records of the county in which the Property is located.

IN WITNESS WHEREOF, the Parties acknowledge it has read this Agreement, understand it and agree to be bound by its terms and conditions as of the date first set forth above.

BUILDING OWNER:

TENANT:

**MACALESTER PLYMOUTH
UNITED CHURCH**

LAKE STREET SOLAR MN LLC

By: _____

By: _____

Name: _____

Name: Amber Naqvi

Title: _____

Title: President

Date: _____

Date: _____

[Signature Page to Facility Lease Agreement. Exhibits to follow.]

Exhibit A
Legal Description of Property

The real property is situated in the County of Ramsey, State of Minnesota, at the address of:

1658 Lincoln Ave
St. Paul, Minnesota 55105

With a Ramsey County Property Identification Number of:

04-28-23-41-0054

and legally described as

MACALESTER PARK VAC N-S ALLEY ACCRUING & EX S 16 FT; LOT 5 & ALL OF
LOTS 3 AND LOT 4 BLK 7

Exhibit B

DESCRIPTION OF ENERGY SYSTEM

The Solar Electric Generating System will consist of the following components:

1. _____ solar electric modules rated at 400 Watts.
2. Factory-approved rigid metal mounting system and ballasts.
3. Electrical components including conductive wiring, ground circuitry, conduit, junction boxes, disconnects, switches, over-current protection, and any associated hardware necessary to complete the installation of the solar electric modules and interconnect with the existing electric panel.
4. 1 UL listed and approved DC/AC inverter.
5. Monitoring equipment and web-based remote system monitoring.

Exhibit C

MEMORANDUM OF LEASE

Drafted by and return to:
Lake Street Solar MN LLC
3709 Blackhawk Road
Eagan MN 55122

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (this “*Memorandum*”) is made and entered into this _____ day of _____, 2022, by and between Macalester Plymouth United Church, a Minnesota nonprofit corporation (“**Building Owner**”), and Lake Street Solar MN LLC, a Minnesota limited liability company (“**Tenant**”).

1. **Grant of Lease.** According to Lease Payment Schedule and Power Purchase Agreement Payment Schedule, the receipt and sufficiency of which are hereby acknowledged by the Parties, Building Owner hereby leases to Tenant and Tenant leases from Building Owner the Leased Space defined in the Lease, that is located on the real property described on Exhibit A attached hereto and incorporated herein by reference (the “**Property**”).

2. **Terms and Conditions.** The terms and conditions upon which Building Owner leases to Tenant and Tenant hires from Building Owner the Leased Space are set forth in that certain Facility Lease Agreement, dated as of the _____ day of _____ 2022 by and between Building Owner and Tenant (the “**Lease**”). The terms and conditions of the Lease are incorporated herein by reference. This Memorandum is prepared for the purpose of placing notice of record of the Lease and in no way amends, modifies or supplements the terms and conditions of the Lease. If there is any inconsistency between the terms and conditions of the Memorandum and the terms and conditions of the Lease, the terms and conditions of the Lease shall control.

3. **Lease Term.** The term of the Lease commences on the Effective Date of the Lease and expires 20 years after the date the Energy System commences commercial operation (the “**Commencement Date**”) for the Energy System referenced in the Lease.

**TENANT SIGNATURE PAGE TO
MEMORANDUM OF LEASE**

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Lease to be duly executed on the day and year first above written.

TENANT

LAKE STREET SOLAR MN LLC

By:

Name: Amber Naqvi

Title: President

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

On the ____ day of _____, 2022, before me, _____, a Notary Public, personally appeared _____, the _____ of _____, and personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public