TITLE DATA

MICHIGAN

Montmorency

Hillman

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CONSUMERS ENERGY CO.

InterWest Energy, Inc

E OF GRANTOR

MUNICIPALITY

36

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578-D103-4 TRACT.

<u> Easement</u> KIND OF INSTRUMENT

DO#1755

SECTION TOWN

3-20-86 DATE OF INST. MODATE OF RECORD LIBER

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INTERWEST ENERGY, INC.

For and in consideration of Seven Thousand Three Hundred Ninety Seven Dollars and No/Cents (\$7,397.00) and other valuable consideration, the

("Grantor" herein), hereby grants, conveys and warrants to INTERWEST ENERGY, INC., a Washington corporation ("Grantee" herein), of 305 111th Avenue N.E., Bellevue, Washington 98004, for the purposes hereinafter set forth, a perpetual eas-enent over, across, and under the following described real property (the "Property" herein) in the Township of Hillman, Montmorency.

The N 1/2 of the SW 1/4 less the S 410 feet of the W 363 feet thereof and the S 1/2 of the NW 1/4 of Section 36, Town 31 North, Range 4 East, Hillman Township, Montmorency County, Michigan (the "Property")

Except as may be otherwise set forth herein Grantee's rights shall be exercised upon that portion of the Property (the "Right-of-Way" herein) described as follows:

A Right-of-Way 60 feet in width including the East 60 feet of the S 1/2 of the NW 1/4 and the E 60 feet of the N 1/2 of the SW 1/4 and a Right-of-Way 30 feet in width including the S 30 feet of the N 1/2 of the SW 1/4 except for the W 363 feet thereof of Section 36, Town 31 North, Range 4 East, Hillman Township, Montmorency County, Michigan (the "Right-of-Way").

- Purpose. Grantee shall have the right to construct, operate, maintain, repair, replace, and enlarge one or more electric transmission lines, over and across the Right-of-Way together with all necessary or convenient appurtenances thereto, which may include but are not limited to
 - Overhead facilities. Wooden poles with insulators, braces, conductors, guys, anchors; and three (3) electrical transmission lines with shield line. Steel towers shall never be erected on Grantor's property.
 - Construction. Grantee shall schedule construction, placement of the poles, and running of transmission lines based on a plan which Grantee will discuss with Grantor. Construction shall be done in accordance with the plan so it is compatible with Grantor's farming, seeding or crop harvesting. Pole placement shall be discussed with Grantor prior to construction. As few poles shall be used as construction. As tew poles simil be used as technically possible. No expansion or enlargement of the lines or noise shall be permitted without permission of the Grantor, unless necessary to (1) transmit power from Grantor to the purchasing utility or (2) to comply with applicable Federal or State regulatory or safety requirements for such



MONTMORENCY COUNTY REGISTER OF DEEDS

2. Access. Grantee shall have the right of access to the Right of Way over and across the Property to enable Grantee to exercise its rights bereunder, provided, that Grantee shall corpensate Grantor for any damage to the Property caused by the exercise of said right of access. Grantee shall notify Grantor of the encessity to perform repair and maintenance and schedule, such activities so they are compatible with Grantor's farming; seeding or crop harvesting

Right-of-way Clearing and Maintenance. Crantee shall have the right to cut, if deemed necessary; and remove or otherwise dispose of any and all trees, brush, and vegetation presently existing upon the Right-of-way. Existing ground cover shall be left in its natural state if possible. Grantee shall also have the right to control on a continuing besis and by any prudent and reasonable means, the establishment and growth of trees, brush, and other vegetation upon the Right-of-Way which could; in the opinion of Grantee, interfere with the exercise of Grantee's rights herein or create a hazard to Grantee's incilities. No existing trees shall be trinmed, removed, moved or damaged on Grantor's property, without first

LIBS 232 PAGE 569

4. Danger Trees. Grantee shall have the right to cut and remove or 4. Ranger Trees. Grantee shall have the right to cut and remove or otherwise dispose of any trees located on the Property outside the Right-of-Way which in falling could; in Grantee's reasonable judgment, be a hazard to Grantee's facilities. Provided, however, that Grantee, prior to exercising such right, shall identify such danger trees and give prior written notification to Grantor and shall make payment to Grantor for the market value of any merchantable timber contained therein which is cut and removed or disposed of by Grantee. disposed of by Grantee.

Grantee's failure to comply with the conditions of this paragraph prior to exercising its rights under emergency conditions shall not deemed a violation of this agreement, but Grantor shall still be entitled to compensation for such trees that are cut and removed or otherwise disposed of by

- 5. Grantor's Use of Right-of-Way. Grantor reserves the right to use the Right-of-Way for any purpose not inconsistent with the rights herein granted, provided, that Grantor shall not construct or maintain any building or structure directly under the transmission lines. Building within the Right-of-Way is prohibited except with Grantec's written permission. Grantor shall have full use of the Right-of-Way for farming and other agricultural uses. All m.neral rights are solely retained by Grantor. Any and all tax assessments on Granton's utility equipment (improvements to the land) are payable by Grantee.
- 6. Indemnity. By accepting and recording this easement, Grantee agrees to indemnify and hold harmless Grantor from any and all claims for damages suffered by any person which may be caused by Grantee's exercise of the rights herein granted, provided, that Grantee shall not be responsible to Grantor for any damages resulting from injuries to any person caused by acts or omissions of Grantor.
- 7. Abandonment. The rights herein granted shall continue until such time as Grantee ceases to use the Right-of-Way for a period of two (2) successive years, which event, this easement shall terminate and all rights hereunder shall revert to Grantor, provided, that no abandonment shall be deemed to have occurred by reason of Grantee's failure to initially installits facilities on the Right-of-Way within any period of time from the date hereof. Grantee shall be responsible for removing all existing lines, poles, anchors, guys, and other equipment if abandonment occurs.
- 8. Termination and Release of Easement: Grantor and Grantee mutually agree that if construction of Grantee's power plant does not start within two (2) years from the date Grantee's easement agreement is executed, this shall be aril and void, this easement agreement shall be terminated, Granton shall on released from the easement, and all rights shall
- Further Assurances. Grantor acknowledges that the legal deseriptions contained in this easement are subject to correction upon completion of a survey of the Property of the Right-of-Way. Grantor agrees to execute and deliver any and all further occuments and instruments, and in addition to take any and all further actions as Grantee may reasonably require to correct the legal descriptions or otherwise to effectuate the provisions of this easement and allow the financing and construction of Grantse's power plant in the Village of Billman
- 10. Successors and Assigns. The rights and obligations of the parties shall inure to the benefit of and be binding upon their respective successors and assigns.

day of March, 1986.

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