

Senate Community Affairs Committee
The Social and Economic Impact of Rural Wind Farms
Submission

Reasons and Summary of Submission

Our reasons for a submission are:

- . We relocated from Melbourne to Carngham in 2002. The move was a life style change and the property we selected was matched to this change.
- . Some 12 months ago we became aware of a Future Energy Pty Ltd proposed wind farm at 346 Carngham – Streatham Road Chepstowe 3351. This proposal is currently lodged with VCAT and is listed for a final hearing on 14 February 2011.
- . While this wind farm proposal is on a property zoned “Rural Farmland” our property which is situated to the east of the proposed development is zoned “Rural Living”.
- . During the last twelve months we have become increasingly concerned about several issues relating to wind farms.

Our summary of our issues are:

- . Wind farms cause an unacceptable risk to the mental and physical health of the residents who reside near wind farms.
- . Rural living properties near wind farms are devalued, and possibly unsaleable.
- . Wind farm developments create a domino effect which provides tacit approval for further developments of wind energy facilities in the surrounding areas.
- . Wind farm developments are deeply dividing local communities.

**Senate Community Affairs Committee
The Social and Economic Impact of Rural Wind Farms
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Details of Submission

The social and economic impacts of rural wind farms, and in particular:

- (a) Any adverse health effects for people living in close proximity to wind farms;**
- (b) Concerns over the excessive noise and vibrations emitted by wind farms, which are in close proximity to people's homes;**

We believe that health and noise effects are directly related and therefore we include our combined comments for these issues.

The issue of noise, in particular, infrasound and its impact on health is of grave concern to us.

The “Waubra Illness”, which includes effects on people such as , has been adequately reported, but has not been adequately resolved. It is not prudent to proceed with further wind energy facilities until this issue is scientifically resolved.

While the National Wind Farm Development Guidelines state that “While a great deal of discussion about infrasound in connection with wind turbine generators exists in the media there is no verifiable evidence for infrasound production by modern turbines.” we strongly dispute this statement.

Our disagreement comes from knowledge of the:

- . the “Waubra Illness”;
- . the NSW
“Rural Wind Farm
Legislative Council
General Purpose Standing Committee No 5
31 December 2009” Report;
- . “Wind Turbine Syndrome
A Report on a Natural Experiment
Nina Pierpont MD PhD”
Published in 2009; and
- . Papers published by
Dr Bob Thorne
Noise Measurement Services.

The issues are:

NSW
Rural Wind Farm
Legislative Council
General Purpose Standing Committee No 5
31 December 2009 Report.
Relevant Issues

- . Unique sound characteristics of wind energy facilities
 “The Committee further notes that reputable research has shown that noise annoyance is an adverse health effect that can result from wind farms, as it can result in effects such as negative emotions and sleep disturbance.”
- . “The Committee notes the adverse impact that wind farm development can have on the well-being of residents and communities. It is important to acknowledge and address the emotional impacts that these developments may cause, since they are an adverse health effect that can have serious consequences such as depression.” ¹
- . “Current World Health Organisation standards specify that detrimental noise pollution health effects (disturbed sleep etc) occur where noise levels exceed 30 dB over an eight hour per day period. Current wind turbine installation standards permit noise levels at 35 dB and more. Noise pollution is an integral part of our environment and a legitimate concern of government. Standards need to be brought in line with WHO recommendations.” ²
- . “The Committee acknowledges the negative impact of noise on a number of residents who live in the vicinity of wind farms in NSW. The Committee also recognises the effort these residents have invested in trying to address the issues and the difficulty they have faced in finding an appropriate resolution.” ³
- . “The Committee was informed that the Victorian Government is currently investigating the impact of ‘sub-audible’ noise from Waubra Wind Farm in Victoria on the health of local residents.” ⁴
- . “Research conducted by van den Berg also concluded that it is possible for certain types of wind turbine noise to be heard at greater distances from the turbine.” This was acknowledged in the South Australian *Wind farms environment noise guidelines*. “However, topography is not currently taken into account when modeling noise levels at properties surrounding proposed NSW wind farms. This approach may result in increased noise levels being experienced than predicted.” ⁵

. **“Recommendation 17**

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That the Minister for Planning ensure that the Environmental Assessment process for wind farm development applications requires comprehensive assessment of potential noise impacts. Both day and night time noise modeling and noise modeling in relation to temperature inversions and the van den Berg effect should be taken into account.”⁶

- . “Council is also aware of concerns in the community in respect of potential health issues that may be related to a condition referred to as "wind turbine syndrome". It is understood that such conditions are attributable to low frequency noise and vibration emanating from the turbines. Such issues should be thoroughly addressed and included in any assessment.”⁷

- . “There is no legislative or policy requirement in NSW that defines the minimum permitted distance, or ‘setback’, between wind turbines and houses. This was identified by many Inquiry participants as a significant concern as wind turbines have been approved at distances that many residents feel are too close to their homes.”⁸

- . “The Glen Innes Landscape Guardian proposed that two kilometres is a reasonable minimum setback distance “... because at this distance many of the ill effects are significantly reduced”. The Guardian also stated that “the 2 km setback has been a compromise position agreed upon despite many residents calling for greater setbacks.”⁹

“However, a number of Inquiry participants stated that they live over two kilometres from a wind farm and still experience adverse effects.²⁵⁵ For these people, a two kilometre setback may not be sufficient.”¹⁰

Wind Turbine Syndrome
A Report on a Natural Experiment
Nina Pierpont MD PhD
Published in 2009

(Comments based on/ and extracts from a Study by Dr Nina Pierpont MD PhD published in 2009)

Interviews of ten families living near large wind turbines identified several health symptoms.¹¹

These symptoms started when the wind turbines started running near their homes. They

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noticed when they went away, the symptoms went away. When they came back, the symptoms returned.¹²

I was able to demonstrate that people with anxiety or other pre-existing mental health problems are not especially susceptible to these symptoms.¹³

This contradicts wind energy literature, which argues that people who worry about or otherwise dislike the turbines around their homes are the ones getting ill.¹⁴

My hope is that researchers will soon be able to measure and correlate wind turbine audible and sub-audible noise, and vibration, with the symptoms people experience in real time- that is, while they're actually experiencing the symptoms.¹⁵

I realize what is needed is a clinical definition of the way people are getting sick when they live near wind farms. If the symptoms form a coherent cluster that makes physiological sense, we're in a better position to figure out:

- a) precisely what's causing it.
- b) how many people are getting it.
- c) who is susceptible.
- d) how to control or prevent it.¹⁶

Except immediately there is a problem. Which is that developers focus on noise.

I turn the above sequence on its head. We need to begin with c) symptoms, not a) *noise levels*.

Hence, the symptom cluster becomes – must become – the chief reference point.¹⁷

When we decide to look at symptoms first, the noise issue in Wind Turbine Syndrome becomes simple. People's symptoms come and go. Acousticians need to measure noise levels when symptoms are present and compare these to noise levels when symptoms are absent. In this manner they can find out exactly *what frequencies* at *what intensities* are causing symptoms.¹⁸

Recommendations

George Kamperman and Rick James, two independent American noise control engineers

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with decades of experience working with industrial noise and communities, recommend a noise standard based on quietest background ambient noise, using C – weighted as well as A – weighted measurements so that the low frequency components are controlled. ¹⁹

The simple answer is: Keep wind turbines at least 2 km (1 ¼ miles) away on the flat, and 3.2 km (2 miles) in mountains. *These are minimum distances. Kamperman and Jame's methods will likely recommend larger setbacks, especially in rural areas that are very quiet at baseline.* Second, all wind turbine ordinances should hold developers responsible for a full price (pre turbine) buyout of any family whose lives are ruined by turbines – to prod developers to follow realistic health – based rules and prevent the extreme economic loss of home abandonment. ²⁰

**Papers published by
Dr Bob Thorne
Noise Measurement Services.**

**Noise Measurement Services
Wind Farm
Noise Assessment**

(Extracts from Revision 2 of the document dated 1 September 2010)

Findings

This Report documents evidence to conclude that there is the potential for adverse health effects to individuals due to wind farm activity while living in their residences and while working on their farms within 3500 metres of large-scale turbines. Wind farm activity that causes adverse health effects such as sleep disturbance, anxiety, stress and headaches is a health nuisance and is objectionable and unreasonable.

The research documented to date for this investigation indicates “ordinary” wind has a laminar or smooth infrasound and low-frequency flow pattern when analysed over short periods of time. Wind farm activity appears to create a “pulsing” infrasound and low-frequency pattern. These patterns are illustrated in sonograms in this Report. The hypothesis derived from my research reported here is that wind farm sound has an adverse effect on individuals due to this pulsing nature as well as audible noise due to the wind turbines. These effects may be cumulative.

Conclusions

It is concluded that wind farm noise prediction, as implemented under NZS6808 (the New Zealand wind farm standard) is not adequate in assessing potential adverse effect and implementation of the standard does not and will not provide an acceptable level of amenity. Application of the standard does not provide a conservative assessment of sound levels that may be experienced under different meteorological conditions.

**Noise Measurement Services
Chepstowe Wind Farm**

Noise Assessment

(Extract from document with issue date of 27 March 2010)

- 26 In particular, as explained in the Wind Farm Noise Assessment Guidelines, there is good reason to consider the effects of low frequency sound and infrasound. Infrasound, however, has characteristics that may lead to adverse health effects. However, there is sufficient peer-reviewed research and solid acoustical foundation for analysis to be made.

The above issues demonstrate that there are many uncertainties about the health effects created by wind energy facilities. As mentioned above until these issues are resolved rural communities should not be subject to developments which can impact on their health and social wellbeing.

(c) The impact of rural wind farms on property values, employment opportunities and farm income

We would refer you to an article in “Stock & Land” on 13 November 2008, “Land Values Blown Apart” by Marius Cuming.

This article includes a study by Ballarat based valuer Alan Hives who concludes that high life style value properties had fallen by as much as a third; and Gippsland valuer John Jess suggests that rural residential land values have dropped by 30 – 40 %.

These conclusions were drawn from a history of property sales featuring or near wind farms.

We also refer to a communication between (...) National Sales Manager of
Elders Rural Services Australia Limited and (...) dated 18 January 2011.

“ (...) ,

I have been a Licensed Estate Agent for 30 years, specialising in the sale of Rural property, essentially all over Australia, with an emphasis on Victoria and the Riverina. I have held senior Management positions with the largest Rural real estate Companies in Australia.

In recent years the growth of activity and the actuality of wind towers throughout the Victorian rural landscape has been significant.

Challicum Hills, Coddington, and Mt Mitchell have all emerged as large scale wind farms, located on the tops of the low hill country, interrupting the landscape for many kilometres.

Of significant importance, is the negative effect on the value of adjoining lands where wind towers have been erected. Visually, the towers are seen by the majority of the market as repulsive. Audibly, the towers effect the stillness a property enjoys, in particular the resonating tones in the night, invading serenity of the adjoining lands.

A proliferation of wind towers adjacent to a property has the same effect as high voltage power lines, rubbish tips, piggeries, hatcheries, and sewerage treatment plants, in that, if buyers are given a choice, they choose not to be near any of these impediments to value.

The ultimate effect is that the number of buyers willing to endure these structures is significantly less than if the structures were not there. This logically has a detrimental effect on the final price of the adjoining lands.

Experts assess the loss of value to be in excess of 30%, and sometimes up to half.

My personal experience is that when an enquiry (potential buyer) becomes aware of the presence of wind towers, or the possibility of wind towers in the immediate district of a property advertised for sale, the “fall out” of buyers is major. Very few go on to inspect the property, and even fewer consider a purchase. On the remote chance they wish to purchase, they seek a significant reduction in the price.

There is absolutely no doubt, that the value of lands adjacent to wind towers falls significantly in value. The ambience of a rural property is important, and oftentimes, the sole reason why a purchaser selects a particular area or district. The imposition of wind towers destroys this ambience forever.

(...)

National Sales Manager”

We relocated from Melbourne to Carngham in 2002. The move was a life style change and the property we selected was matched to this change. That is the property is rural residential based on life style values, not commercial farming values. In fact the property would not be viable as a farming property due to its small size and ability to provide a reasonable rate of return on investment.

It is evident from the above independent information that we will be adversely affected by any proposed development, near our property, due to a significant decrease in property value.

When my wife and myself moved onto this property we realized that we would eventually be unable to continue with this lifestyle in our older years, and that we would need to move to a nearby town to a property requiring less physical activity and easier access to medical facilities. Our ability to sell and/ or obtain a reasonable value for the property will be seriously impacted if wind farm developments were to proceed near our property.

Attachment A of our submission relates to the City of Hammond, County of St Lawrence, USA, which has incorporated into its planning process for Wind Farms a guarantee to protect property values in the vicinity of Wind Farms.

While we believe that there is an impact on “lifestyle” property values wind farm proponents dispute this issue. If wind farm proponents do not believe that property values

are impacted then surely they would have no objection to such a guarantee.

Accordingly we request that the Inquiry peruses the guarantee agreement and considers inserting this or a similar guarantee into guidelines for wind farm developments.

(e) Any other relevant matters.

Domino Effect

We believe that environment and life style of communities will be impacted by the approval of wind energy facilities in a localized area creating a domino effect. If a planning permit was granted for a particular site it would provide tacit approval for further applications in the same area. There are reports of proposals to install some 500 wind turbines in our Shire. We believe this will result in proposals for installations much closer to our property than the proposal previously mentioned in our reasons for making a submission. The environment and rural life style we and others sought when moving to this area will then be totally destroyed.

Community Cohesion

Reports in various media forums have reported the division of the local community on the issue of wind energy facilities. With diminishing numbers in rural areas, due to current economies of scale in farming, the division of neighbours is something the rural community can not afford. When we moved to this area we were amazed at the friendly, caring attitude of the local people. People were concerned about how we were coping and if we required any assistance. Not only were they offering help they also provided it. The proposals for wind energy facilities have been consistent in that no matter where there is a proposal the community has divided. We have witnessed examples of this division in this area from the Stockyard Hill and Chepstowe proposals. The strength of rural Victoria, in fact Australia, is that we support each other. The core of rural communities is being severely compromised by wind energy facilities.

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Attachment A

**RESIDENTIAL PROPERTY VALUE GUARANTEE AGREEMENT
TO BE INCLUDED IN ANY INDUSTRIAL WIND TURBINE
PERMIT ISSUED BY THE TOWN OF HAMMOND AND SHALL**

BECOME A PART OF THE TOWN OF HAMMOND WIND LAW.

This Residential Property Value Guarantee Agreement ("Agreement") made and entered into on this ____ day of _____, 20____, by and between _____ State of New York and any successors in interest or ownership in part or in whole to any Industrial Wind Turbine Project within the Town of Hammond, hereinafter referred to as the ("Guarantor") and _____ and _____ residing at _____, Hammond, New York, ("Property Owner/Owners").

RECITALS

WHEREAS, Property Owners own eligible Property as described herein ("Property"). That property having a legal description located in the Town of Hammond, St. Lawrence County, New York, and being described as follows:

SAID PROPERTY BEING LOCATED WITHIN A TWO (2) MILE RADIUS OF ANY WIND TOWER, AS MEASURED FROM THE BASE OF THE WIND TOWER AT GROUND LEVEL TO THE NEAREST PROPERTY LINE OF THE RESIDENCE EXISTING AT THE TIME THIS PROPERTY VALUE GUARANTEE AGREEMENT IS ENTERED INTO.

WHEREAS, Guarantor has been granted a Permit by the Town of Hammond, St. Lawrence County, for the construction and operation of the _____, consisting of Wind Turbines on properties located in the Town of Hammond, St. Lawrence County, State of New York.

WHEREAS, Guarantor agrees to alleviate any concerns to the Citizens of Hammond, regarding the preservation of Property Values in the Town of Hammond, and in consideration of the Town of Hammond granting to the Guarantor the right to construct and operate the _____ with Industrial Wind Turbines within the Guidelines of the Hammond Wind Law, and

WHEREAS, Property Owners are desirous of preserving the equity that they have in their Residential Properties prior to the construction and operation of the _____ Wind Farm that if the Property described herein is sold at a price less than the Asking Price as a result of proximity to the Wind Turbine, as determined by the Procedures contained herein, and the Guarantor will guarantee payment to the Property Owner/Owners of such difference.

IT IS AGREED AS FOLLOWS:

1. EFFECTIVE DATE OF THE AGREEMENT: This agreement shall become effective and binding on the Guarantor when signed by both parties, which must be entered into within **ONE HUNDRED EIGHTY (180) DAYS** from the Town of Hammond issuing a permit to a Wind Development Company referred to above as the Guarantor. A list of all potential Lease Agreements have been made known between the Land Owner and the Guarantor, however, the actual placement has not been determined by the Guarantor. If any new Lease Agreements are entered into by the Guarantor with any new property owner, then the neighboring property owner within a TWO (2) MILE radius of that landowner, will be notified by Certified Mail by the Guarantor. The Property Owner shall have **NINETY (90) DAYS** after receipt of said letter, to give notice to the Guarantor of their intent to enter into a Property Value Guarantee Agreement.

2. ELIGIBILITY: EXERCISE OF GUARANTEE: Any Individual, Sole Proprietorship, Corporation, Partnership, or Limited Liability Company, owning property that is within a TWO (2) mile radius of the base of any wind tower that is part of the Hammond Wind Project is covered by this Guarantee and described in Paragraph one above. This Guarantee is limited only to Real Property owners that own property in the Town of Hammond at the time that the Town of Hammond issues a Permit to any Wind Developer. A further definition of Property Owners shall include heirs and immediate family members of the Property Owner on the effective date above stated.

3. QUALIFIED PROFESSIONAL APPRAISER and PROPERTIES TO BE USED AS COMPARABLES: For the purpose of this Agreement, a Qualified Professional Appraiser shall mean a person who is licensed by the State of New York, not related to the Property Owner, who is not an employee or contractor of the Property Owner or Guarantor, and does not have a business relationship with the Property Owner or the Guarantor, and who is a member of at least one National Appraisal Association. All appraisal reports shall conform to the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institutes. All Real Estate Comparables used in any Appraisal shall not be from the Town of Hammond, but shall be from the neighboring Town of Alexandria, where there are no Wind Farms due to the proximity of the local Maxon Air Field. Sales of like or similar properties sold up to 3 years prior to the date of the Appraisal can be used after taking into consideration an inflationary factor. If there are no Comparable Values in the Town of Alexandria, then the Appraiser can use land transfers from within a 50 mile radius of the Town of Hammond.

4. AGREED TO ASKING PRICE: The Asking Price is the value of the Property at the time that the Property Owner decides to sell, however, the listing of the real property, must take place within a **FIVE (5) YEAR PERIOD** from the entering into this Property Value Guarantee Agreement. The Asking Price of the property may be mutually agreed to by the Property Owners and the Guarantor. The Asking Price can be mutually amended by the Property Owners and the Guarantor at any time, subject to their mutual agreement.

5. DETERMINATION OF ASKING PRICE BY APPRAISAL: If the Parties are unable to agree upon the Asking Price of the Property prior to the Property Owner listing the Property for sale, then the Guarantor shall hire, at their expense a qualified professional appraiser presently doing business in Jefferson or Onondaga County, and shall notified the Property Owner of such appraiser. If the Property Owner objects to the Guarantor's choice of appraisers, it shall so state those objections, in writing, within **THIRTY (30) DAYS** of the notification of the choice of the appraisal, to Guarantor. In the event Property Owner reasonably objects, the Guarantor shall select an Appraiser with MAI Certifications and all selected Appraisers shall adhere to the following guidelines:

When a qualified professional appraiser is selected pursuant to Paragraph 5 above, 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 center or commercial wind tower was located within a FIVE (5) mile radius.
- b. Utilize comparable properties, developed as the Property was developed as of the date of this Guarantee and located sufficient distance away from the Hammond Wind Project, within the Town of Alexandria, so that in the opinion of the appraiser, the selling price of that property was not influenced by the presence of the Hammond Wind Farm.
- c. Use both the Comparable Sale Method and the Cost Replacement Method in determining a Fair Market Value. If there is wide difference between the Fair Market Value at the time of listing and the Cost Replacement Method, then the Cost Replacement Method shall be the controlling method, and shall be used as an Asking Price. The Standard Depreciation rates established by the Standards of Professional Appraisals Practice of the Appraisal Institute shall be used.
- d. Establish a fair market value, which is based upon the Property as developed on the date that the Town of Hammond issues a permit for a Hammond Wind Farm.
- e. Prepare a full narrative appraisal, which conforms to the Code of Professional Ethics and Standards of Professional Appraisals 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
- g. The Appraiser shall note the condition of the premises, both interior and exterior, at the time of the appraisal.

If the Property Owner and the Guarantor accept the appraisal value, then such appraisal shall constitute the ASKING PRICE, and the Property Owners shall offer the above defined property for sale at no less than the agreed upon price.

If either the Property Owner or the Guarantor does not accept the appraisal value, then the non-accepting party may retain a second qualified professional appraiser, of its choice, to be paid for by the Guarantor. The second appraiser shall be given a copy of the first appraisal, and check said appraisal for accuracy, and then shall submit their appraisal for consideration by the parties. If the second appraiser shall be within 5 percent of the first appraiser, then the higher appraisal shall be the agreed upon ASKING PRICE. If the Guarantor or the Property Owner is unsatisfied with the value, then the party who is still unsatisfied with the ASKING PRICE, shall hire at its own expense, an MAI certified Appraiser to establish a value. In the event that the other party shall hire his or her own MAI certified Appraiser to establish a value, then the ASKING PRICE shall be the average between the two (2) Appraisals and the MAI certified appraisal. There shall be NO APPEAL from the value determined by the MAI Appraisals. There shall be no requirement for Discovery or Interrogatories by either party. There shall be no

requirement for cost receipts by the Property Owner. The Property Owner shall give open inspection of the property within reasonable time periods, for any appraiser to inspect the property. Any request for inspections must be complied within 72 hours of the requested time period.

TIME LIMITS: The first and second appraisals shall be completed within 30 days of the property owner notifying the Guarantor of their intent to list their property for sale. The MAI appraisal must be completed within 75 days of the property owner notifying the Guarantor or Guarantor notifying the Property Owner of their dissatisfaction with the first two appraisals. The second appraisal can be eliminated if a MAI Appraiser is used for the second appraisal, at which time the ASKING PRICE shall be the average between the first appraisal and the MAI Appraisal.

6. LISTING WITH BROKER: Property Owners shall utilize the services of a New York State certified Real Estate Broker, with membership with the St. Lawrence County and Jefferson County Board of Realtors with access to the Multiple Listing Service for the St. Lawrence and Jefferson Counties. The selection of the Realtor shall be at the sole discretion of the Property Owner for the first SIX (6) months. If the property has not sold within that period, then the Guarantor shall have the option of selecting a Realtor for the balance of the time period, which shall be for THREE (3) MONTHS. The total number of days that a property shall be listed for prior to the Guarantor being obligated under this Property Value Guarantee Agreement shall be **270 DAYS**. The Realtor shall be paid the normal rate as established within St. Lawrence County and the commission rate shall not exceed 6% for residential properties. All commissions shall be paid by the Property Owner.

7. TERM OF LISTING: The Property Owner shall list the Property, at the ASKING PRICE, as determined in Paragraphs 4 or 5, or at a higher value. During the listing term, the Property Owners shall accept any offer of purchase for the ASKING PRICE, or any offer of purchase otherwise acceptable to the Guarantor. If the accepted price includes any concessions to the Buyer, i.e.: Payment of up to \$8,000.00 for Buyers costs for securing a mortgage or closing costs, then those costs shall be added to the ASKING PRICE and shall be reimbursed by the then Guarantor. (In this current market, it is a common procedure to add the Buyers costs to a contract so as to allow the Buyer to purchase the property with no money down.) If the \$8,000 is added to the ASKING PRICE, then the Guarantor shall not be responsible for the Buyers costs.

Said listing contract shall include: (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 not be entitled to any commission after the expiration of the listing contract, unless a Buyer that the Broker showed the property to, shall enter into a Contract with the Property Owner, within 180 days after the expiration of said listing.

The Property Owner shall cooperate with the Broker in obtaining a purchase offer 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. **UNDER NO CIRCUMSTANCES SHALL THERE BE ANY VERBAL COMMUNICATION BETWEEN THE PROPERTY OWNER AND THE POTENTIAL PURCHASER.** There will be no anti-wind signs on the property listed for sale. Any requests for information regarding Wind shall be referred to the Guarantor for release of information.

8. OFFERS TO PURCHASE: If the Property Owner accepts any offer of Purchase for the ASKING PRICE then in that event, Guarantor will have no financial liability to the Property Owner. No Furniture or items at the property shall be included in the Sales Contract other than appliances, drapes, and items attached to the dwelling. The Guarantor may be notified by telephone of any and all offers so that they will be able to make counter offers as listed in paragraph 9 below. The Guarantor shall also be notified in writing within 48 hours confirming any telephone communications with the Realtor or Property Owner.

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, said counter offer being made within 48 hours of the submitted original offer or counter offers. In the event the purchaser accepts any such counter offer, or counter offers, made or requested by the Guarantor, or in the event the Guarantor otherwise consents to the sale of the Property below the ASKING PRICE, the Guarantor shall pay to the Property Owners, at closing, the difference between the ASKING PRICE and the sales price so established.

10. SALE WITH OR 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 Owner may sell the Property at the highest offer of Purchase still pending or at the next good faith bona fide offer to purchase. The Property Owner shall notify the Guarantor, in writing of its intention to accept such offer. The Guarantor has 72 hours to notify the Property Owner of their intent to either accept the terms of the offer or to Purchase the Property at the ASKING PRICE. If the Guarantor elects to purchase the property, then said closing must take place within 30 days with the presentment of a Warranty Deed with lien covenant. If there should be a title defect, then the Guarantor shall give the Property Owner sufficient time to cure the defect or to Purchase Title Insurance, with said Title Insurance cost paid for by the Property Owner.

11. PROPERTY OWNER'S CLAIM: If the property has sold for less than the ASKING PRICE, as determined herein, it shall make a claim to the Guarantor, requesting payment for the difference between the ASKING PRICE and the SALES PRICE, after deducting Real Estate Commissions and normal costs associated with sale of real estate in St. Lawrence County. If the Guarantor does not make payment within 10 days of the sale, then the PROPERTY OWNER is shall be paid interest on said monies owed by the Guarantor at the rate of ONE (1) PERCENT PER MONTH, and shall be liable to the Property Owner for all costs incurred in collection, plus normal

Attorney Fees incurred by the Property Owner. There is **NO APPEAL FROM THIS PROPERTY VALUE GUARANTEE AGREEMENT BY EITHER PARTY.**

12. GOOD NEIGHBOR AGREEMENT: If any Property Owner should enter into a so-called Good Neighbor Agreement, wherein they allow the placement of a Wind Turbine closer than 2 miles and/or if they should receive any compensation from the Wind Turbine Company, then they shall be excluded from this PROPERTY VALUE GUARANTEE PROGRAM unless the Guarantor waives this provision and allows the neighbor to enter into this Guarantee binding the Guarantor.

13. EXCLUSIVE OPTION OF ANY RESIDENTIAL PROPERTY OWNER LIVING WITHIN ANY CLOSE PROXIMITY TO A WIND TURBINE: If any Property Owner lives within TWO (2) MILES of any Wind Turbine Leaseholder or under consideration for a Wind Turbine Lease, now or in the future, and if that Property Owner desires to move from the Town of Hammond because a Wind Turbine is to be located within TWO (2) miles of his or her residence, measured from the corner of the Property Owner's residence to the wind turbine measured from the base of the turbine, then that Property Owner has a once in a lifetime right to be reimbursed for his real property and 5 acres surrounding that residence, at the then Appraised Value under the below described procedures, HOWEVER, this option cannot be used in conjunction with any future Guarantee of the Sale of a Residence:

a. The Property Owner must notify the Guarantor within 90 days of the issuance of a permit for an Industrial Wind Farm, that they do not wish to live in the Town of Hammond with the existence of a Wind Turbine located on an existing leaseholder's property within a TWO MILE RADIUS of their dwelling.

b. If the Guarantor should at any time later, decide to enter into any additional leases with neighboring landowners and to place a Wind Turbine closer than TWO (2) MILES to any Property Owners Residence, then this Property Owner shall have the same absolute right to claim under this Paragraph 13, regardless of whether they gave a previous notice to the Guarantor. The Guarantor is required to serve notice by Certified Mail to all Property Owners residing within a TWO (2) MILE RADIUS of any new Potential Leaseholders. The Property Owner must give notice by Certified Mail to the Guarantor within 90 days of receipt of their Certified Letter, stating that they desired to exercise this Exclusive Option.

c. The Property Owner must have been the legal owner of the real property at the time that the Town of Hammond issued a permit to an Industrial Wind Turbine Developer.

d. Prior to this **EXCLUSIVE OPTION TAKING PLACE**, the Property Owner and the Guarantor shall enter into 30 day cooling off period wherein the property owner is obligated to meet with the Guarantor, to discuss the entering into a Good Neighbor Program wherein the property owner would receive a monthly/annual payment and/or share

in the revenue that the landowner with the industrial wind turbine would receive, making the adjoining landowner a recipient of the financial rewards of the industrial wind turbine program. If an agreement cannot be reached within this 30 day period, then the Property Owner and the Guarantor shall proceed to sub-paragraph e below.

e. The Guarantor shall then consider the relocating of the proposed Wind Turbine so as not to be within a TWO (2) mile radius of the Property Owners residence. If the Turbine is moved so that it is not within a TWO (2) mile radius of the Property Owners Residence, then the Property Owner would no longer qualify under the Residential Property Value Guarantee Agreement. The Guarantor shall have 30 days in which to make this decision.

f. If the Property Owner and the Guarantor are still unable to reach a mutually satisfactory resolution within 60 days of the Property Owner serving a Certified Letter to the Guarantor, then the Property Owner, at his sole expense, shall order ONE (1) MAI Appraisal from a Qualified Appraisal Company certified to prepare Trial Ready Appraisals within the State of New York to be completed within 90 days after the Property Owner and the Guarantor are unable to reach a resolution. The Value determined by the Appraisal Company shall be the cost replacement value after taking into consideration any depreciation under standard guidelines for Appraisals.

g. If the Guarantor should not agree with the value, then the Guarantor has the right to order a second MAI Appraisal to be completed within 45 days of receiving the Property Owner's MAI Appraisal. These 2 Appraisals are to be added together, to be divided by 2, to determine an average value. If the Property Owner is not satisfied with the Guarantor's Appraisal, then he has the right to order a Third MAI Appraisal, at which time all THREE (3) Appraisals are to be added together, divided by 3, for an average value. The cost of the third appraisal shall be shared between the Property Owner and the Guarantor. This is the final value, and shall be the controlling value. There is no Appeal from this value. The Property Owner is to then present the Guarantor with a Warranty Deed with Lien Covenant, 40-Year Abstract and 10-year Tax Search. If there should be any defect in Title, then the Property Owner has the option of curing the defect under normal New York State Bar Association standards or to provide Title Insurance against said defect. A closing date is to be set 30 days after the title is cured. The Property Owner is to vacate the property at closing and to leave the property in a broom clean condition. The Payment shall be made in Certified Funds at closing. If the Guarantor refuses to make this payment, then the Property Owner is entitled to interest at the rate of ONE (1) PERCENT per month from the date that the closing is scheduled, and to all reasonable Attorney Fees to enforce collection. There is **NO APPEAL FROM THIS**

PROVISION BY EITHER THE PROPERTY OWNER OR THE GUARANTOR.

14. ASSIGNMENT OR TRANSFER: Neither this Agreement nor the rights under it may be assigned, conveyed, or otherwise transferred by the Property Owner. The Guarantee given by the 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 after an arms length sale to a 3rd party. The Guarantee given by the Guarantor, shall continue and obligate any future transferee, assignee, purchaser or successor in interest or Bankruptcy.

15. APPLICATION OF LAW DISPUTES: This Agreement shall be construed consistent with the Law of New York. Disputes concerning the application or terms of this Agreement, include enforceability and collection, shall be subject to the Supreme Court of the State of New York.

Signed this _____ day of _____, 2011, between:

GUARANTOR:

By: _____

PROPERTY OWNER:

Property Address:

STATE OF NEW YORK)

COUNTY OF ST. LAWRENCE) SS:

On this _____ day of _____, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)

COUNTY OF ST. LAWRENCE) SS.

On this _____ day of _____, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ and _____, husband and wife, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledge to me that they executed the same in their capacity, and that their signatures on this instrument, the individual or individuals, or the persons upon behalf of which the individuals acted, executed the instrument.

Notary Public