

LEASE AGREEMENT

This Lease is made on this 1st day of June, 2007, by and between THE TOWN OF JAMESTOWN, a municipal corporation organized under the laws of the State of Rhode Island, hereinafter called Lessor, and NEW ENGLAND GOLF COURSE MANAGEMENT, INC., a duly organized and validly existing Rhode Island Business Corporation, hereinafter called Lessee, upon the following TERMS and CONDITIONS:

LEASE/USE

Lessor does, by these presents, lease and demise unto the Lessee the following described premises, hereinafter called the Demised Premises:

- a. All those certain lots or parcels of land located in the Town of Jamestown, County of Newport, State of Rhode Island, and further described as Assessor's Lots 283 on Plat 8 of the Tax Assessor for the Town of Jamestown.
- b. The ground floor of that certain building known as the Jamestown Country Club, including the pro shop, snack bar, locker room and garage.
- c. The primary use of that certain area known as the parking lot of the Jamestown Golf Course, said parking lot to be shared with the Lessor.

TERM OF LEASE

The initial term of this Lease shall be five (5) years from the date hereof, said period being that between April 1, 2007 through December 31, 2011. An option to extend this Lease for one additional five (5) year term may be exercised by the Lessee by giving written notice to the Lessor not more than twelve (12) months nor less than six (6) months prior to the expiration of the initial term of this Lease and pursuant to the provisions of paragraph c. herein. Such extended term shall be upon the same terms, covenants, and conditions as the initial term.

RENT

The Lessee covenants and agrees to pay rent as follows:

- a. Base Rent For Initial Term: One Hundred Seventy-two Thousand (\$172,000.00) Dollars per year for each of the first five (5) years of this Lease. Such amount shall be payable in four installments each year. The first installment of Forty-three Thousand (\$43,000.00) Dollars shall be due on June 1st of each year of the Lease. The second installment of Forty-three Thousand (\$43,000.00) shall be due and payable on August 1st of each year of this lease. The third installment of Forty-three Thousand (\$43,000.00) shall be due and payable on October 1st

of each year of this lease. The fourth (4th) installment of Forty-three Thousand (\$43,000.00) Dollars shall be due and payable on January 1st of each year of this Lease. The rent shall be payable at the office of the Lessor or at such other place as the Lessor may designate in writing.

b. **Additional Rent For Initial Term:** Lessee shall be obligated to pay for the wastewater effluent water provided to Lessee from Lessor's waste water treatment facility water only when a wastewater effluent water filter is put in place by the Lessor and is made operational by the Lessor. Said obligation to pay for effluent filter water, once due, shall be made along with the quarterly rent payments. Lessee's obligation will not be prorated for that quarterly rental period if said filter is not in operational condition at the time the quarterly rental period begins. Lessee is guaranteed to be the first source of effluent filtered water. Lessee agrees to pay to Lessor Eight Thousand (\$8,000.00) Dollars per year as additional rent, paid on a quarterly basis for the first initial five (5) year term of this lease to compensate the Lessor for the annual expenditures made by Lessor in order to amortize the costs of installing an wastewater effluent filter at its Sewer Treatment Plant, such filter permitting the Lessor to provide treated water for irrigation purposes to the golf course. Such additional rental payments shall be made by the Lessee to the Lessor with each quarterly base rent payment and shall commence upon the Lessee's receipt of written notice from Lessor of the commencement date. In addition, the Lessee shall successfully complete the items listed on Exhibit "A", referred to as "Golf Course Improvements".

c. At the end of each year, the Lessee shall present a written statement to the Lessor, together with supporting evidence itemizing its expenditures, and describing all capital improvements made during those years. If Lessee exercises its option for the successive period of five (5) years and is determined by the Lessor not in default with the terms of the Lease and has substantially completed its capital improvements listed on Exhibit A, the Lessee shall be granted the extension for the second five (5) year term of this Lease.

d. **Base Rent For Five (5) Year Option Term:** One Hundred Seventy-five Thousand (\$175,000.00) Dollars per year for each year during the five (5) year option, running from April 1, 2012 through December 31, 2016. Such amount shall be payable in four (4) installments each year. Said installment will be in the amount of Forty-three Thousand Seven Hundred Fifty (\$43,750.00) Dollars on June 1, 2012. The quarterly annual dates will be the same monthly dates as contained in the base rent section of this lease (a).

e. **Additional rent For 5 Year Option Term:** If the initial Lease term is extended for an addition five (5) year term, Lessee agrees to pay Lessor Eight Thousand (\$8,000.00) Dollars per year for the effluent water filter, to be paid with the quarterly rent payments in the amount of Two Thousand (\$2,000.00) per payment as additional rent to compensate the Lessor for the annual expenses made by Lessor in providing said treated wastewater to Lessee for golf course irrigation purposes. This additional rent payment will be owed by Lessee provided said wastewater treatment filter is in operation and that Lessee is guaranteed to be the first source of effluent filtered water. In addition, the Lessee shall during the five (5) year option term complete the items listed on Exhibit "B" referred to as "new construction on the golf course". If, at any time during the initial or option term hereof, the Lessee, in good faith determines that it is desirable for the benefit of the golf course to substitute the installation or completion of any item

referenced on Exhibit "B" with another item, the Lessee shall make such request in writing to the Lessor. Lessor shall not unreasonably withhold its consent to any such request provided that the times to be substituted are of approximately equal value and the Lessee provides such detail's descriptions and plans as the Lessor may reasonably request.

USE

The Lessee agrees to use the Demised Premises exclusively as a golf course and snack bar for at least eight (8) months during each Lease year. The Lessee may use the Demised Premises for only such other recreational uses as are approved in writing by the Lessor. The Lessee agrees not to discriminate against any person in the use of the premises because of his/her race, sex, religion, nationality, handicap, age, sexual preference or any other matter provided by applicable law.

CONSTRUCTION AND/OR IMPROVEMENTS MADE BY LESSEE DURING THE TERM OF THE LEASE

The Lessee may, from time to time, at its own cost and expense, alter, remodel, or change the interior of the Demised Premises, provided, however, that the same shall first be approved in writing by the Lessor, which approval shall not be unreasonably withheld. Lessee shall not make any substantial change in the configuration of the tees, greens, or holes or other changes to the overall configuration of the course without the prior written consent of the Lessor. Any such improvements shall be considered a part of the real estate and property of the Lessor. All capital improvements made by the Lessee during the term of this Lease shall remain the property of Lessor at the expiration of this Lease.

FEE SCHEDULE/TEE TERMS

The Lessee agrees that daily greens' fees and seasonal pass fees for golfing by Jamestown residents during the term of this Lease shall not increase by more than ten (10) percent over the fees charged to Jamestown residents in the year immediately preceding any lease year hereof and to continue to provide residents of Jamestown with a one (\$1.00) dollar discount on all green fees.

MAINTENANCE BY LESSOR

The Lessor shall maintain the building of which the Demises Premises are a part in good order, repair and condition and in compliance with all building and fire codes during the term of this Lease, including, but not limited to the roof, floor, exterior doors and window frames, gutters and down-spouts, plumbing, heating, septic, and electrical systems installed by the Lessor (but

not including any machinery and equipment owned and installed by the Lessee), and the structure of said building, including foundation, footings, columns, exterior walls and stairways, and all public areas, elevators, sidewalks drainage facilities, the sewer plant pump, the pump next to the irrigation pond, the irrigation pond liner and fence, gasoline tank, and its pump, and cooking exhaust fan, except for wear and tear and damage by any act or negligence of the Lessee or any person or persons for which it is legally responsible. Lessor's duty to maintain the structure shall not include any item identified by Lessee as a "golf course improvement". The Lessor shall also provide and maintain the necessary mains and conduits carrying utility services to the Demised Premises.

MAINTENANCE BY LESSEE

The Lessee shall, at its sole cost and expense, keep and maintain the interior of the building of the Demised Premises in good order during the term of this Lease, including, without limitation, lighting, all fixtures, interior walls, floor coverings, ceilings, all wire and equipment, building appliances and similar equipment, except for reasonable wear and tear and damages by any act or negligence of the Lessor or any person or person for which it is legally responsible, and shall also replace and install any broken glass in windows and doors; provided, however, that if any damage to the interior of the Demised Premises or broken glass in windows and doors shall be caused by the occurrence of any risk insured against by the Lessor's insurance, the costs of which repairs of the replacement of such broken glass shall be borne by the Lessor to the extent of its recovery insurance proceeds therefore. In addition, the Lessee shall be responsible for maintaining any and all changes to the Demises Premises and equipment installed as "golf course improvements".

MAINTENANCE OF PARKING LOT

The Lessee agrees further to maintain said parking lot in good order, repair and condition and in a manner consistent with the safety of all vehicles and pedestrians, provided nevertheless, that Lessee shall not be responsible for the cost of snow plowing when the golf course and/or snack bar is closed for the season.

MAINTENANCE OF GOLF COURSE

Lessee agrees to maintain the Demised Premises in a state of good condition and repair consistent with the standards of comparable golf courses in New England. The Lessee agrees that all chemicals used in connection with the maintenance and improvement of the premises

shall be approved by federal, state and municipal governments, and the application of the same shall comply with all federal, state and municipal rules and regulations.

UTILITY CHARGES

The Lessee shall provide and pay for all heat, air-conditioning and electricity as may be required for the lease premises. The Lessee shall pay for its telephone or other service or services furnished to the Demised Premises or to the Lessee with respect to its operations therein during the term of this Lease.

INDEMNIFICATION OF LESSOR BY LESSEE

The Lessee agrees to indemnify and defend the Lessor against, and to save it harmless from any and all claims of whatever nature, for injury or damage to persons or property in or about the Demised Premises from any cause, or arising from any accident, injury or damage, arising outside of the Demised Premises, resulting from an act, default, omission or any cause on the part of the Lessee or its employees, agents, contractors, licensees, business invitees, or guests.

PUBLIC LIABILITY INSURANCE

The Lessee shall, at its own cost and expense, obtain and maintain in continuous effect, a policy or policies of insurance with such company or companies as may be satisfactory to the Lessor, insuring against public liability on the Demised Premises, including the parking lot, in an amount not less than Two Million (\$2,000,000.00) Dollars per person, and Two Million (\$2,000,000.00) Dollars per accident, and against property damage in an amount of not less than One Hundred Thousand (\$100,000.00) Dollars. The Lessor shall be named as an insured in such insurance, and the certificate or certificates of such insurance shall be delivered to the Lessor. Said insurance shall not be cancelable, except upon ten (10) days' written notice to the Lessor. In the event Lessee is unable to obtain liability insurance, it may close its doors until it is able to acquire insurance.

FIRE, ETC. INSURANCE BY LESSOR

The Lessor shall, at all times during the term of this Lease, keep the building or other improvements on the Demised Premises continuously insured to the full replacement cost thereof under so-called all-risk insurance policies, which insure against fire, vandalism and malicious mischief, risks commonly insured against by extended coverage insurance and other perils and which contain a special replacement cost endorsement, such policies to be written by companies

of recognized responsibility and financial standing duly-authorized to do business in the State of Rhode Island. Neither party hereto shall be liable to the other party of any insurer of any such other party with respect to any loss or damage to the real estate or tangible personal property of such other party resulting from or caused by the occurrence of any risk which is commonly insured against such as fire, lightning, explosion, riot, smoke, civil commotion, aircraft, windstorm or vehicles, whether the occurrence of such risk shall be caused by any act or omission of a party hereto or any of its or their agents, servants, invitees, or contractors. The Lessor shall (a) cause the policies of insurance required to be carried hereunder to be endorsed to evidence the waiver of any liability under the preceding sentence; (b) cause the Demised Premises to be appraised for insurance purposes every three (3) years to determine the adequacy of the amount of insurance to be maintained by the Lessor hereunder; and (c) furnish to the Lessee upon request a certificate evidencing the insurance coverage maintained from time to time hereunder.

ENTRY BY LESSOR FOR REPAIRS

The Lessor, its servants and contractors, may at all reasonable times, and subject to the reasonable requirements of the Lessee, enter the Demised Premises to view and make, or arrange for the making of, such repairs to said premises as may be necessary or required by this Lease for it to make.

REPAIRS TO UTILITIES, ETC.

The Lessor reserves the right to place, maintain, repair and replace such utility facilities or lines, pipes, wires, and the like, over, upon and through the Demised Premises as may be necessary or advisable for servicing the Demised Premises or the entire building of which the Demised Premises are a part, including any public areas and the parking lot; provided, however that the Lessee's use of the Demised Premises shall be interfered with only temporarily by such placing, maintaining, repairing, and replacing.

DESTRUCTION OF PREMISES

In the event of a partial destruction of the premises during the term hereof, from any cause, Lessor may elect to repair the same, provided that such repairs can be made within sixty (60) days under existing governmental laws and regulations, but such partial destruction shall not terminate this Lease, except that Lessee shall be entitled to a proportionate reduction of rent while such repairs are being made, based upon the extent to which the making of such repairs

shall interfere with the business of Lessee on the premises. In the event that repairs cannot be made within sixty (60) days, Lessor, may, at its option, either make the repairs within a reasonable time, this Lease continuing in effect with the rent proportionately abated as aforesaid, or terminate the Lease.

TAKING BY EMINENT DOMAIN

In case of a taking by eminent domain of the whole of the Demised Premises, then this Lease shall terminate as of the date of the actual taking of possession by the public authorities. In case of a taking as aforesaid of such portion of the Demised Premises as shall preclude the reasonable use of the premises as a golf course, either the Lessor or the Lessee may terminate this Lease by notice given to the other with thirty (30) days after the Lessee has been deprived by the taking authorities of physical possession of the premises taken.

ABATEMENT OF RENT

In the event that the Demised Premises or any part thereof shall be taken for any street or other public use, or the interior of the premise shall be destroyed or damaged by fire or other cause beyond the control of Lessee, or the exterior of the Demised Premises shall be damaged or out of repair during the term of this Lease, or any extension thereof, a just proportion of the rent reserved according to the nature, location and extent of the injuries sustained by the Demised Premises, or their lack of repair, shall be abated until the Lessor shall have repaired and restored the premises and put them in proper condition and made available for the Lessee's use and occupation; and in case of a taking as aforesaid; a just proportion of said rent, according to the size, location and use of the space taken, shall be abated during the remainder of the term of this Lease.

ASSIGNMENT AND SUBLETTING

Lessee shall not assign this Lease or sublet any portion of the Demised Premises without the prior written consent of the Lessor. Any such assignment or subletting without consent shall be void and, at the option of the Lessor, may terminate this Lease. The transfer of a majority ownership interest of Lessee shall continue such an assignment.

LESSOR'S REMEDIES ON DEFAULT

If Lessee defaults in the payment of rent, or any additional rent, or defaults in the performance of any of the other covenants or conditions hereof, Lessor may give Lessee notice of such default and, if Lessee does not cure any such default within ten (10) days, after the giving

of such notice (or if such other default is of such nature that it cannot be completely cured within that period, if Lessee does not commence such curing within such 10 days and thereafter proceed with reasonable diligence and in good faith to cure such default), then Lessor may terminate this Lease on the date specified in such notice the term of this Lease shall terminate, and Lessee shall then quit and surrender the premises to Lessor. If this Lease shall have been so terminated by Lessor, Lessor may at any time thereafter resume possession of the premises by any lawful means and remove Lessee or other occupants and their effects. If the Lessee shall be declared insolvent according to law, or if a receiver or other similar officer shall be appointed to take charge of the Lessee's property, or a substantial party thereof, then, and in each of the said cases, the Lessor lawfully may (notwithstanding any license of any former breach of covenant or waiver of the benefit hereof or consent in a former instance) immediately or at any time thereafter while such default or other situation as aforesaid continues, and without further demand or notice, enter into and upon the Demised Premises or any part thereof in the name of the whole and repossess the same and expel the Lessee and those claiming through or under the Lessee and remove its effects, at Lessee's expense, without being deemed guilty of any manner of trespass, and without prejudice to any remedies which might otherwise be used for arrears of rent or preceding breach of covenant; and, upon entry as aforesaid, this Lease shall terminate, and the Lessee shall remain obligated for all rental monies due for the remainder of the term. No failure to enforce any term of this Lease shall be deemed a waiver. Lessee agrees that Lessor shall have a security interest in, and a lien upon all personal property of Lessee for any and all monies due to Lessor, which are, from time to time during the time hereof, outstanding, which lien and/or security interest may be enforced by the sale of said property in accordance with the provisions and procedures set forth in Title 6A, Chapter 9 of the General Laws of Rhode Island 1956, as amended.

WAIVER

Failure on the part of the Lessor or the Lessee to complain of any action or non-action on the part of the other, no matter how long the same may continue, shall not be deemed to be a waiver by either party of any of *its* right hereunder. A waiver of any provision hereof shall not be construed to be a waiver of any other provision hereof.

SERVICES BY LESSOR

With respect to any services to be furnished to Lessee, the Lessor shall in no event be

liable for failure or delay to furnish the same when prevented from doing so by war, strikes, labor difficulties, lockouts, breakdown, accident, order or regulation of governmental authority, failure of supply, or inability, by exercise of reasonable diligence, to obtain supplies, parts or employees necessary to perform such services, or for any cause beyond Lessor's reasonable control, or for any cause due to any act or neglect on the part of the Lessee or its servants, agents, employees, licensees or any person claiming by, through or under the Lessee, or any termination for any reason of Lessor's occupancy of the premises from which the service is being supplied by the Lessor.

QUIET ENJOYMENT

The Lessee, subject to the terms *and* provisions of this Lease, on payment of the rent and observing, keeping and performing all of the terms and provisions herein contained on Lessee's part to be performed, kept and observed, shall peaceably and quietly hold and enjoy the premises hereby demised without hindrance, ejection or interruption by the Lessor or any person or persons claiming under it.

LESSEE'S ADDITIONAL COVENANTS

In addition to all other covenants and agreements of the Lessee contained in this Lease, the Lessee covenants and agrees at all times during the term hereof, and for any further time as it shall hold said premises or any part thereof, to pay when due all rent provided for herein; to make all necessary repairs to or replacements for the interior of the Demised Premises and to keep the same in as good order, repair and condition as the same are in at the commencement of the term, or may be put in thereafter, reasonable wear and tear and damage by fire excepted; to make all those capital improvements and to do those projects as the same are described herein; to save the Lessor harmless from all loss and damage occasioned by the use of water in or the escape of water from the Demised Premises, or by the bursting or cracking of the water pipes within the Demised Premises, or the stopping or leakage of water, gas, sewer, stream or other pipes within the Demised Premises, including the sprinkler system; provided nevertheless, that as to piping installed by the Lessor, the Lessee shall only be liable if such bursting, cracking or stoppage is the result of negligence of the Lessee; to remove its goods and effects, and those of all persons claiming under it, at the termination or expiration of this Lease, and will peaceably yield up said premises and all additions thereto to the Lessor, and leave the same clean and in

such repair, order and condition as the same were in at the commencement of the term or may be put in during the continuance thereof, excepting only such alterations as are made or authorized by the Lessor, reasonable wear and tear, and damage by fire; not commit any nuisance, or overload the premises, not to carry on any business or occupation which shall be unlawful or contrary to any law or ordinance in force for the time being; not to do any act or things upon the premises which will make them un-insurable against fire or which is liable to increase the premium for fire insurance on the building; to keep the premises equipped with cash registers as required by law or ordinances, or any other regulation of any public authority because of the use made of said premises by the Lessee, and will make all repairs, alterations, replacements or additions as required (except for repairs, alterations, replacements or additions to the structure of the Demised Premises, which shall be the obligation of the Lessor); and will procure any authorizations or licenses required for Lessee's use of the premises; will permit the Lessor or its agents to enter at reasonable time to view the premises and make repairs or alterations necessary for the preservation and safety of the Demised Premises; will permit the Lessor to show the premises to others, and at any time within ninety (90) days before the expiration of the term to affix to any suitable part of the exterior of the premises as notice for letting or selling the premises.

REMOVAL OF PERSONAL PROPERTY

The Lessee may, at the termination of this Lease, remove all of its items of personal property which are not affixed to the real estate. All fixtures which are permanently attached to the premises shall remain in place and shall become the property of the Lessor upon the attaching of the same. The Lessee shall, at its own expense, remove all of its items of personal property at the termination of this Lease and shall repair any and all damage to the premises which may result from or be caused by the removal of such items of equipment or personal property from the Lessee.

HOLDING OVER

If Lessee holds over or continues in possession of the premises after the expiration of this Lease and without the execution of a new Lease, the tenancy thus created shall be at sufferance. All covenants, obligations, condition and agreements herein contained shall, so far as applicable, apply to all extensions of the terms hereof and to all holding over by the Lessee as a tenant at

sufferance.

NOTICES

All notices that may be given hereunder by Lessor or Lessee shall be by registered or certified mail; address in the case of Lessor to Town of Jamestown, C/o Town Administrator, PO Box 377, Jamestown, Rhode Island 02835, or to such other address as Lessor may from time to time in writing give Lessee for this purpose; and all notices that may be given to Lessee shall be addressed to New England Golf Course Management, Inc., c/o Joseph Mistowski, 245 Conanicus Avenue, Jamestown, Rhode Island 02835.

RIGHTS OF LESSEE WITH RESPECT TO MORTGAGES

The Lessee agrees that its rights under this Lease shall be subordinate to the rights of any mortgage, provided that (a) the Lessee shall not be disturbed in its possession of the Demised Premises so long as the Lessee continues to pay all rental herein provided for and otherwise comply with the terms and conditions of this Lease, (b) anyone acquiring the Demised Premises or any part thereof from or through any mortgage, whether by exercise of power of sale, judicial foreclosure, or otherwise, shall take the Demised Premises or such part thereof subject in all respect to this Lease, provided that the Lease shall not at the time be in default under the term hereof.

RIGHT OF EACH PARTY TO PERFORM OTHER'S COVENANTS

Each party shall have the right at any time, after ten (10) days notice to the other party (or without notice in case of emergency or in case of any fine, penalty, interest or cost which may otherwise be imposed or incurred), to make any payment or perform any act required of such other party under any provision of this Lease, and in exercising such right, to incur necessary and incidental costs and expenses, including reasonable counsel fees. Nothing herein shall imply any obligation on the part of the party, and the exercise of the right to do so shall not constitute a release of any obligation or a waiver of any default. All payments made and all costs and expenses incurred in connection with any exercise of such right shall be reimbursed by the other party within ten (10) days after such payments, together with interest at the annual rate of twelve

(12%) percent from the respective dates of the making of such payments or the incurring of such costs and expenses, to the party making and paying the same.

PERSONAL GUARANTEES

Joseph Mistowski and Harriet Mistowski, husband and wife and principals of Lessee, hereby guarantee, unconditionally and at all times, the payment when due of any and all indebtedness or liability of Lessee due to Lessor under the terms of this Lease. It shall not be necessary for Lessor, in order to enforce the terms of this Lease, to first institute suit or exhaust its legal remedies against Lessee. In the event of default of payment by Lessee, Lessor may proceed directly against Joseph Mistowski and Harriet Mistowski for the full amount due to Lessor.

SUCCESSORS AND ASSIGNS

All the covenants, conditions and provisions of this Lease shall apply to and inure to the benefit of, and be binding upon the heirs, executors, administrators, successors and assigns of the said Lessor and said Lessee, both as to rights and as to duties and liabilities, except with respect to the right of the Lessee to assign or sublet, which shall be subject to that paragraph entitled "**ASSIGNMENT AND SUBLETTING**" of this Lease.

ORDINANCES AND STATUTES

Lessee shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to the premises, occasioned by or affecting the use thereof by Lessee.

ATTORNEY'S FEES

In case suit should be brought for the recovery of the Demised Premises or for any sum due hereunder, or because of any act which may arise out of the possession of the premises, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee.

PARAGRAPH HEADINGS

The paragraph headings contained in this Lease are not a part hereof, but are inserted only for reference.

JURISDICTION

The parties agree that this Lease shall be deemed a Rhode Island contract and shall be governed by the laws of the State of Rhode Island.

RELEASE AT EXPIRATION


At the expiration of the term of this lease, provided the Lessee shall not be in default hereof, the Lessee shall be held harmless and indemnified from any liability which may arise at any point in time thereafter due to Lessee's installation of the capital improvements.

ENTIRE AGREEMENT

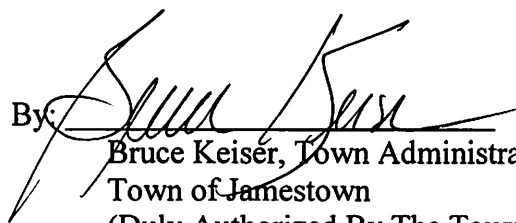
The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties.

IN WITNESS WHEREOF, Bruce Keiser (as Manager of the Town Council of the Town of Jamestown), Joseph Mistowski (as President of New England Golf Course Management, Inc.) Joseph Mistowski (individually), and Harriet Mistowski (individually and as Guarantor) have executed this Lease in triplicate on the date first above written.

TOWN OF JAMESTOWN



Witness

By: 
Bruce Keiser, Town Administrator
Town of Jamestown
(Duly Authorized By The Town Council)

Debra A. Shea
Witness

By: Joseph Mistowski
Joseph Mistowski, President
New England Golf Course
Management, Inc. (Duly Authorized)

Debra A. Shea
Witness

By: Joseph Mistowski
Joseph Mistowski, individually and
as guarantor

Debra A. Shea
Witness

By: Harriet Mistowski
Harriet Mistowski, individually and
as guarantor

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Jamestown, on the 5 day of July, 2007, before me personally appeared Bruce Keiser, Town of Jamestown Town Administrator, to me known and known by me to be the party executing the foregoing instrument which he acknowledged said instrument, by him so executed, to be his free act and deed in said capacity as Town Administrator of the Town of Jamestown, and his free act and deed individually as well.

Denise A. Jennings
Notary Public
My Commission Expires:

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

DENISE A. JENNINGS
NOTARY PUBLIC
STATE OF RHODE ISLAND
COMMISSION EXPIRES
AUGUST 6, 2009

In Jamestown, on the 5 day of July, 2007, before me personally appeared Joseph Mistowski, President of New England Golf Course Management, Inc., to me known and known by me to be the party executing the foregoing instrument, and he acknowledged said instrument, by him so executed, to be his free act and deed on behalf of said corporation and his free act and deed individually as well.

Denise A. Jennings
Notary Public
My Commission Expires:

DENISE A. JENNINGS
NOTARY PUBLIC
STATE OF RHODE ISLAND
COMMISSION EXPIRES
AUGUST 6, 2009

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Jamestown, in said County, on the 5 day of July, 2007, before me personally appeared Joseph Mistowski, to me known and known by me to be the party executing the foregoing instrument, and he acknowledged said instrument, by him so executed, to be his free act and deed.

Denise A. Jennings
Notary Public:

My Commission Expires:

DENISE A. JENNINGS
NOTARY PUBLIC
STATE OF RHODE ISLAND
COMMISSION EXPIRES
AUGUST 6, 2009

STATE OF RHODE ISLAND
COUNTY OF NEWPORT

In Jamestown, in said County, on the day of 5th July, 2007, before me personally appeared Harriet Mistowski, to me known and known by me to be the party executing the foregoing instrument, and she acknowledged said instrument, by her so executed, to be her free act and deed.

Denise A. Jennings
Notary Public:

My Commission Expires:

DENISE A. JENNINGS
NOTARY PUBLIC
STATE OF RHODE ISLAND
COMMISSION EXPIRES
AUGUST 6, 2009

Golf Course Improvements

Lease Years 2007-2011

Exhibit A

Tree Planting

\$26,500-

Transplant using a tree spade 25 cedar trees (30 ft. +) tall
Berm, stake, water as required, spray with an anti-transpirants and maintain
Trees are located on Town property next to Seppe Farm

Plant 25 (8-10ft) spruce and fir trees.

Haul, plant using backhoe, berm, water as required, spray with anti-transpirants, and maintain.

Plant 10 (8-10 ft) deciduous trees. Haul, plant using backhoe, berm, stake, fertilize and water as required. These accent trees will be planted throughout the course.

Planting sites are selected where liability issues exist. Golf course design and hole playability will have second preference.

Trees will be planted behind #1 green, along left side #2 fairway, rough area between holes 3 and 4, left side of #6 fairway, left side #8 fairway, left corner of #8 green and behind and to the left of #9 green.

Plant 20 full grown (5' diameter) Pfitzers and Hedsi Junipers. Areas include behind practice green, left side #1 fairway, right side #2 fairway to screen brush pile. Left side #2 fairway along mounds.

Plant and establish ornamental grasses throughout the golf course. (Approx. 15 sites)
Most areas will be around huge boulders too big to move.

Stump, Boulders, Tree Removal & Aerial Tree Sanitizing

\$68,000-

Remove approx. 77 stumps

Remove approx. 180 boulders.

Backfill holes, tamp, settle, seed/sod, fertilize and establish turf. Follow with multiple top dressings.

Remove approx. 20 dead trees (30 Ft+ tall)

Purchase telescopic power tree trimmer. Trim tops of approx. 20 deciduous trees.

Backfill approx. 25 sink holes. Tamp, settle, seed/sod, fertilize, and establish turf.
Follow with multiple top dressings.

Tee and Bunker Expansion

\$30,000-

Expand red tees on holes # 1-2-4-7-8-9
Approx. 2,870 Sq. Ft. (Additional tee surface)

Rebuild and expand existing blue tees on holes #3 and #9. Approx. 2,500 sq ft
(new tee surface)

Add approx. 300 cu. yds. topsoil

Add Toro 730 automatic sprinkler head on blue tee #3

Grade, shape, fertilize, sod and topdress several times.

Extend fairway bunker on hole #1 Approx 200 sq ft to the East. Cut, shape and add 10
yards of bunker sand.

Construct berms along 9 bunkers on holes # 1-3-6-7-8. Purpose is to prevent washout
during heavy rains.

Install approx. 3120 linear feet of drainage pipe

\$45,000-

Areas include:

#1 Fairway 747 linear feet

#2 Fairway 663 linear feet

#2 Behind green 180 linear feet

#3 Fairway 180 linear feet

#4 Rough 468 linear feet

#9 Fairway 890 linear feet

Material will include 4" perforated ADS pipe encompassed in pea stone with 3"-4" top
layer coarse sand.

Approximately 30 catch basins incorporated throughout design.

Trenches to be seeded with appropriate seed for each area.

Trenches to be topdressed using straight sand.

A 1,500 gallon concrete tank will be used on #9 hole as a catch basin. Water will be
pumped from tank to adjacent pond using 115 volt sump pump.

Tank area to be bowled out and sodded.

Greens Covers

\$16,000-

Install 26,000 sq ft of specially manufactured greens covers with 7 year warranty.

Covers will be used during the winter months on an annual basis. Covers will be
removed daily during late winter and early spring to enable turf to harden.

Greens # 1,4, 5, 8 and 9 will be covered.

Purchase new 30x50 vinyl tent. \$6,000
Area in back of clubhouse will be further landscaped, including rebuilding lattice work..

Construct 10 concrete pads. \$1,500-

Pads will be located at each ball washer/trash can station. This will improve aesthetics and extend life of the cans.

Apply 80,000 lbs of Calcium Magnesium to all fairways and immediate rough over a 5 year period. \$12,000-

Apply 40,000 lbs. Gypsum to all greens, tees, collars and approaches over a 10 year period. \$14,000-

Parking Lot \$7,000-

Stripe entire parking lot 2 times..

Construct 2 berms using asphalt at both entrances from Conanicus Ave. to prevent rain water from coming into parking area and eventually to the golf course.

Construct berm along entrance into clubhouse to divert rain water and prevent inside flooding.

Pave approx. 2,000 sq. ft. under new pavilion area. Construct 10'x20' pressured treated deck on west side of clubhouse.

Purchase and grade approx 20 tons of washed stone along west side of parking lot.

Clubhouse \$24,000-

Replace 660 sq. ft. of existing rubber mats.

Sand surface area to rid old glue and paint

Tile men's and women's restrooms.

J.P.M.

~~Install air conditioning.~~

Install 20 gal. commercial electric hot water heater for front counter use.

Install 2 wall mounted exhaust fans located on the north and south ends of the clubhouse.

Remove existing carpeting. Replace with new carpeting.

Repair, wash, paint/varnish all walls and ceilings.

Replace lighting fixtures in dining area with 17 recessed lighting fixtures.

Construct 20 linear feet shelves in storage room.

Replace existing 60 amp service behind bar area with 125 amp service.

Replace propane lines into building.

Replace 6' radiator in men's restroom.

Replace 3x6 wall board and tile in men's restroom.

*J.P.M. - Install EXHAUST FAN IN Clubhouse IN PLACE OF AC.
- Install SCREEN DOOR IN Clubhouse ENTRY WAY WITH
double Acting hinges.*

Rebuild foot and handrail along entire bar area.
Replace 8' of cabinetry and sinks behind bar.
Replace 18' sewer line behind bar.

Maintenance Building and Adjacent Outside Area \$10,000-

Construct 7x24 ft built-in shelving inside building
Install eye wash station to meet OSHA requirements.
Construct 15'x15' equipment wash-off pad. System will use effluent water for equipment washing.

Install 500 gal. diesel fuel tank

1. Build concrete pad to set tank on
2. Install (4) 4 foot by 4" diameter concrete filled metal pipe around perimeter of pad.
3. Tank will have 115 volt electric pump.
4. Area will be landscaped.
5. Lessee will retain possession of tank.
6. Screen propane tank (used for heating shop) and diesel fuel tank with plant materials.

Irrigation Expansion & Rough Re-Construction \$8,000-

Install 3 Toro automatic 670 heads on left side of #8 rough. Cultivate, overseed, smooth with multiple topdressings 30,000 sq ft of rough.

Install 2 Toro automatic 670 heads along right side #4 rough. Smooth with multiple topdressings approx. 20,000 sq ft of rough.

Install 1 Toro 670 automatic sprinkler head on #3 Blue Tee.
Install quick coupling valves on greens #3, #7 and #8

Greens Overseeding Program \$10,000-

Overseed all greens twice annually using a Quad Tine Overseeder
Apply 25 lbs. Creeping Bentgrass annually.
Apply growth regulator annually.
Purpose is to effectively change 30%-40% turf species from Annual Bluegrass (a weed) to Creeping Bentgrass. \$2,000-yr. X 10 yr. = \$20,000-

Landscape Front of Clubhouse \$24,000-

Remove and replant existing yews in front and on the south side of building. No guarantee of establishment.

Remove existing sod.
Add topsoil.
Install 150 linear feet of underground irrigation system.
Incorporate plant materials.
Install new sod.
Take over maintaining this area from the Recreation Dept.(\$1500-/yr x 10 yrs) \$15,000-

Landscape North Entrance of Clubhouse \$7,500-

Area is 6'x250' and is located at the top of #1 tee and runs west to fuel tanks.
Install 250 linear feet of underground irrigation.
Amend existing topsoil and rototill.
Install 250 linear feet of pressure treated timber used for curbing.
Install 200 linear feet of split rail fencing.
Plant various types of plant materials.
Fertilize, mulch and maintain.

Outdoor Restroom Restoration \$1500-

Replace shingles on roof.
Replace sky light.
Replace hardware on both doors.
Wash and paint both inside and outside of building.

Deep Tine Aeration \$90,000-

Purchase 50 hp. four wheel drive tractor with turf tires.
Purchase deep tine PTO Driven fairway aerator.
Aerate 10 acres of greens, tees, approaches, fairways and rough annually.
\$1800/acre x 10 acres = \$18,000- per year x 10 years = \$180,000-

Rebuild drainage area in front of #3 tee \$6,000-

Remove existing deteriorated culvert.
Grub out and regrade 100 feet of slope and bottom.
Install rap and plant materials.
Construct 10'x16' bridge across ditch.

Bunker Sand \$15,000-

Apply 300 tons of USGA approved bunker sand to all bunkers over a 10 year period.

Landscape Teeing Areas \$9,000-

#1 white, #1 red, #2 blue, #3 blue, #4 red, #4 blue, #5 blue, #5 white, #6 blue, #6 red,
#8 blue and #9 white

Cut out sod-mostly from sloped areas.
Establish raised beds.
Use various plant materials, such as trees, shrubs, and flowers.
Mulch and maintain.

Work with S.C.S. in establishing 6 acres of Big Blue Stem Grasses at remote areas
throughout the golf course. \$5,000-

Total Price for Improvements \$436,000-

Golf Course Improvements
Lease Years 2012-2016
Exhibit B

New Practice Green \$25,000-

Construct 4,000 sq. ft. Bentgrass pushup practice green south of #1 tee
Install 500' of 2" underground P.V.C. irrigation pipe
Install 2 Toro 670 Automatic sprinkler heads
Add approx. 40 yds. top soil
Add approx. 400 linear ft. drainage pipe encapsulated in pea stone
Add approx 25 tons coarse sand
Add approx 10 tons root zone mix
Seed, establish, topdress 10 times and maintain

Existing practice green will be used as a sod nursery and chipping green.

Cart Path Construction \$8,000-

Excavate 790 linear feet of topsoil to a depth of 8"
Replace with roadbed material (reprocessed asphalt) pack

Paths to be built are located along #1 green, #2 green and the maintenance building area.

Power wash and paint entire outside Clubhouse building. \$5,000-

Power wash and paint/stain maintenance building \$5,000-

Fairway Overseeding \$8,000-

Overseed approx. 5 acres of fairway using Quad type overseeder.
Apply 1000 lbs. of Bent, Rye, Fescue seed mixture.
Apply 2000 lbs. starter fertilizer

Rough Overseeding \$13,000-

6 acres of rough using a Toro type overseeder
Apply 2,000 lbs. Of endophytic enhanced Perennial Rye-Fescue seed
Apply 3,000 lbs. Of starter fertilizer.

Green Overseeding Program \$10,000-

Overseed all greens twice annually using a Quad Tine Overseeder

Apply 25 lbs. Creeping Bentgrass annually.
Apply growth regulator annually.
Purpose is to effectively change 30%-40% turf species from Annual Bluegrass (a weed) to Creeping Bentgrass. \$2,000-yr. X 10 yr.=\$20,000-

Landscape Pond on #2 Hole \$4,000-

Regrade, sod and seed along east side of pond on #2 Hole. This will help prevent further erosion, define the actual water hazard, improve aesthetics and provide ease of maintenance.

Deep Tine Aeration \$90,000-

Aerate 10 acres of greens, tees, approaches, fairways and rough annually.
\$1800/acre x 10 acres=\$18,000- per year x 10 years=\$190,000-

Bunker Sand \$15,000-

Apply 300 tons of USGA approved bunker sand to all bunkers over a 10 year period

Total price for years 2011-2016. \$183,000-

Total price for previous 5 years. \$436,000-

Total cost of improvements. \$619,000-