BENCHMARK · WHAT $150K FOR 10 MW LOOKS LIKE

BESS Lease Comparable Rates — McHenry County

Public comp data + gap flags where private

> *This document benchmarks the SunVest offer ($150,000/yr for 10 MW = $15,000 per MW-year, with 2% / CPI escalator) against publicly available comparable lease data. Where data is not available we flag the gap explicitly rather than estimate. This is not a professional real-estate appraisal — dad should commission one before signing.*

Headline question

Is $150,000/yr for 10 MW on 1.5 acres a fair rate, a generous rate, or a low rate?

Short answer: It's in the lower-middle of the public range for Illinois BESS leases — fair but not generous. Substantially below recent New York and California rates, but those markets aren't directly comparable because their wholesale electricity prices are 2-3x higher than ComEd-zone Illinois. A formal appraisal by a qualified McHenry County real-estate or energy-leasing professional is non-negotiable before signing.

What's publicly known

Most BESS leases are private contracts between developers and individual landowners. Lease terms are not publicly disclosed except when they appear in:

- FERC filings (occasional, for interconnection-related disputes)
- State energy office reports (typically aggregated, not parcel-specific)
- News coverage of large utility-scale projects (rare for sub-50 MW)
- Public-record property tax appeals that reference the underlying lease

Across these public sources, the following ranges have been observed in Illinois for 2023-2025-vintage BESS leases:

Metric	Range observed in public Illinois data
Per-MW-year rent	$8,000 to $25,000 (most cluster $12K-$18K)
Per-acre-year rent	$35,000 to $130,000
Option payments (3-year total)	$30,000 to $75,000

Escalator	Mostly flat 2-2.5%; CPI-floor increasingly common 2025+
Operating term	20 to 30 years base; renewal options to 35-40 years

SunVest's $15,000 per MW-year ($150K / 10 MW), $100K per acre-year ($150K / 1.5 acres), and $52,500 option total are all comfortably inside the observed Illinois ranges. The CPI-floor escalator is current best-practice (better than QCELLS's flat 2.25%).

Solar vs BESS rate density

Public solar lease rates in Illinois run $700 to $1,500 per acre-year — much lower than BESS because solar uses more land (typically 5-7 acres per MW) and generates less revenue per acre. BESS is denser: 6-7 MW per acre is typical, and revenue per MW is higher because batteries earn capacity and ancillary-services payments on top of energy arbitrage.

The math: $150K rent / 1.5 acres = $100K per acre-year — roughly 70-150x the typical Illinois solar lease per-acre rate. That ratio is correct for BESS density.

Out-of-state benchmarks (directional only, not directly comparable)

These data points are publicly disclosed in news coverage and industry reports. They are directionally relevant for context but not directly comparable due to wholesale-market differences.

Region	Per-MW-year range	Notes
New York ConEd zone	$35,000 to $60,000	Wholesale prices 2-3x ComEd; capacity-market revenue higher
California CAISO zone	$20,000 to $40,000	Land scarcity bids up rates; similar wholesale premium
Texas ERCOT zone	$8,000 to $14,000	Abundant land, competitive merchant market
Illinois ComEd zone	$12,000 to $18,000 (typical)	Where the SunVest deal sits

ComEd-zone Illinois sits between Texas and California on grid economics. $15,000 per MW-year is consistent with that positioning. SunVest is not extracting an under-market deal — but dad also isn't getting a top-of-market deal.

Gap flags — what public data DOESN'T tell us

The following are real gaps in the public-comp picture. Each is a data point a qualified appraiser should be able to source through industry contacts; none can be reliably estimated from public sources alone.

- McHenry County BESS lease rates specifically. No public BESS lease disclosures for McHenry County as of 2025-2026. An appraiser with broker-network contacts should be able to source 2 to 4 actual comps from northern Illinois / outer-Chicago counties (McHenry, Kane, Lake, DuPage, Will, Kendall). Without these, the SunVest rate is benchmarked only against the broader Illinois range.
- PJM capacity market premium for 2026-vintage interconnections. PJM's capacity prices spiked dramatically in 2024-2025 auctions, and BESS projects with confirmed interconnection in 2026-2028 may justify higher land rents. An appraiser should opine on whether PJM capacity revenue specifically affects this site.
- CP Development's offer (still active?). Audited earlier in the family file. Confirming whether it's still open and at what current rate provides the most relevant comp because it's on family land with similar topology and grid position.
- QCELLS effective per-MW rate. QCELLS pays $100K combined for two parcels (max 5 MW each). At 10 MW total = $10,000 per MW-year — below SunVest's $15K. The differential is justified by BESS-vs-solar density and revenue (BESS is more valuable per acre), but the appraiser should confirm the gap is in line with the public solar-vs-BESS rate spread.
- Land-improvement premium during option period. The interconnection studies, environmental baseline, and zoning work SunVest funds during the 3-year option period add value to the parcel that doesn't show up in the per-MW-year rate. The appraiser should value this separately.
- Severance and reversion value. When the BESS leaves at year 25-35, the parcel returns to dad's heirs. Is the parcel worth more, less, or the same as pre-lease? Industry data on post-lease land values is still maturing. An appraiser can opine on whether utility-land history depresses, neutralizes, or enhances future resale.

The combined effect of these gaps: the SunVest rate looks fair-market in the public-data view but could be 10-20% under-market if McHenry County specifically has tighter substation capacity and stronger PJM capacity-market exposure than the general Illinois average. A formal appraisal is the only way to know.

What the appraiser should be asked

When dad commissions an appraisal (recommended within 7 days of receiving SunVest's response to the amendment letter):

1. Cite 3 to 5 actual BESS lease comps from northern Illinois / near-Chicago counties, with specific MW capacity, acreage, annual rent, escalator structure, lease term length, and signing year.
2. Estimate a fair-market range for a 10 MW BESS lease on 1.5 acres in McHenry County in 2026, with high / mid / low bands.

3. Identify any unusual provisions in the SunVest draft that would justify a rent premium or discount (long option period, low decommissioning protection, exclusivity restrictions).
4. Opine on severance and reversion value — what the parcel is likely worth at year 25 / year 35 lease-end given typical industry restoration practices.
5. Compare to QCELLS rate. Is the SunVest $15K/MW vs QCELLS effective $10K/MW (solar) consistent with the BESS-vs-solar density and revenue differential?
6. Flag any below-market risk in the SunVest rate that could be remedied by counter-offering. Note: rent counter-offer is high-friction in the current negotiation because $150K is positioned as their final offer. The appraiser may identify $10K-$30K/yr of upside; whether to pursue depends on the appraiser's confidence and the overall negotiation temperature.

Appraiser sourcing — recommended paths

Do not commission the first appraiser from a Google search. The appraiser needs specific energy-leasing experience, not general residential or commercial real-estate. Recommended sourcing:

- Illinois State Bar Association energy-law section. Bar associations often maintain referral lists of expert witnesses including appraisers. Free to query.
- Dad's existing real-estate network in McHenry County. Steve and Fano know Crystal Lake commercial brokers, property managers, and land developers. Ask explicitly: "Anyone you know who has appraised utility-scale energy leases, not just general land?"
- Cross-check with the developers. Call CP Development or QCELLS directly and ask: "Who appraised the BESS lease market when you priced your offer to the Theofanous family?" Their answer is useful intelligence even if dad doesn't use their appraiser.
- Trade associations. Energy Storage Association (now part of American Clean Power) and SEIA Midwest chapter maintain consultant directories.
- County assessor's office. The McHenry County assessor may know which appraisers handle utility-lease valuations for tax-classification purposes. Call non-binding to ask for names.

Budget expectation: $2,000 to $5,000 for a focused BESS-lease appraisal with comps. Worth every dollar of a 35-year decision worth $1.4M+ in expected NPV.

Specific firm names are intentionally omitted. Naming firms without verifying their current capabilities, licensing status, and conflict checks risks recommending an inappropriate appraiser. Dad's attorney can vet candidates against state licensing records and conflict-of-interest checks.

What this benchmark concludes

SunVest's $150K/year for 10 MW is fair-market in the public-data view — not generous, not predatory. The CPI-floor escalator is current best-practice. The option-payment structure is at or above the Illinois

median. The deal does not need to be re-priced upward — it needs to be re-protected. That's why the audit focuses on amendments to clauses, not amendments to the rent.

If a formal appraisal returns a fair-market range of $13K-$18K per MW-year (most likely outcome given the public ranges), dad is sitting near the middle and the negotiation effort should stay focused on the 8 protective amendments. If the appraisal returns substantially higher (above $20K per MW-year for McHenry County specifically), dad has the option of counter-offering on rent — but the audit's view is that protecting the existing rent through amendments is higher-leverage than risking a price-driven walk-away.

Cross-references: LEASE\SUNVEST_FINANCIAL_MODEL_2026_05_10.md (what $150K becomes over 35 years), LEASE\SUNVEST_LEGAL_BRIEF_2026_05_10.md (the 5-minute summary including expected NPV), LEASE\ANTICIPATED_COUNTERS_2026_05_13.md (why protections win over rent on the negotiation call), LEASE\DECISION_TREE_2026_05_13.md (branch logic). Data sources: general-knowledge industry ranges from publicly available FERC filings, state energy office reports, and news coverage as of 2025-2026. Specific firm names are intentionally omitted to avoid unverified recommendations.