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STATE OF INDIANA  
LAKE COUNTY  
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**FIRST AMENDMENT TO MEMORANDUM OF LEASE**

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**BETWEEN**

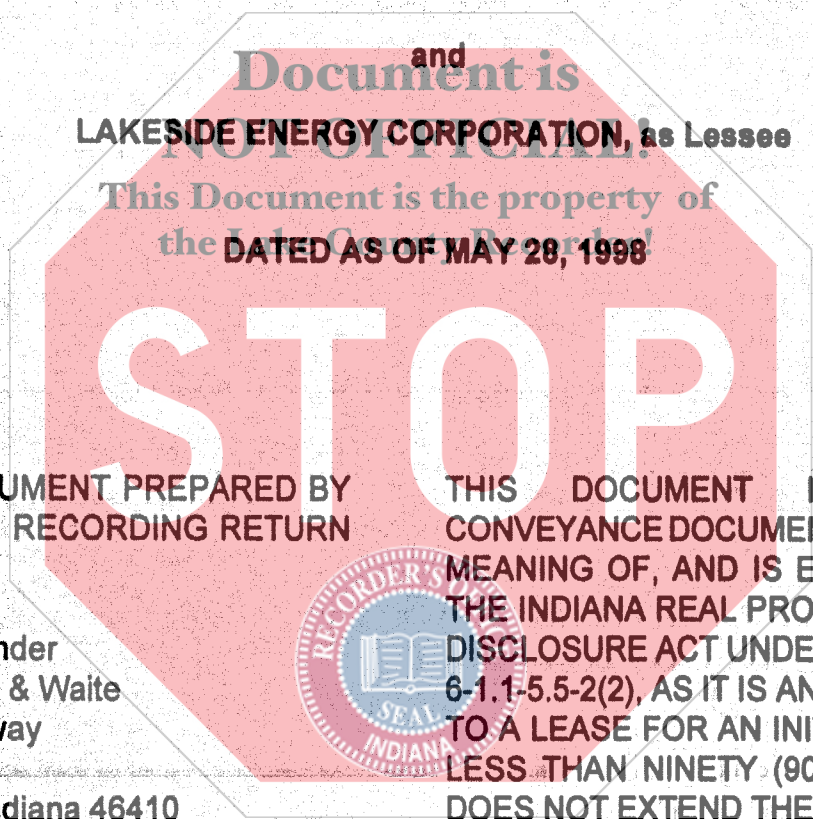
**DEPOT HILL FUNDING, LIMITED PARTNERSHIP,  
as Lessor,**

**and**

**LAKESIDE ENERGY CORPORATION, as Lessee**

**This Document is the property of**

**the Lake County Recorder's Office  
DATED AS OF MAY 28, 1998**



**THIS INSTRUMENT PREPARED BY  
AND AFTER RECORDING RETURN  
TO:**

**Mark C. Zaander  
Schiff Hardin & Waite  
8585 Broadway  
Suite 842  
Merrillville, Indiana 46410**

**THIS DOCUMENT IS NOT A  
CONVEYANCE DOCUMENT WITHIN THE  
MEANING OF, AND IS EXEMPT FROM  
THE INDIANA REAL PROPERTY SALES  
DISCLOSURE ACT UNDER, IC SECTION  
6-1.1-5.5-2(2), AS IT IS AN AMENDMENT  
TO A LEASE FOR AN INITIAL TERM OF  
LESS THAN NINETY (90) YEARS AND  
DOES NOT EXTEND THE TERM, AND IS  
NOT A SALE OR TRANSFER OF AN  
INTEREST IN REAL ESTATE SUBJECT  
TO, AND NO GROSS INCOME TAX IS  
DUE UNDER, IC SECTION 6-2.1-8-5(a).**

**DULY ENTERED FOR TAXATION SUBJECT TO  
FINAL ACCEPTANCE FOR TRANSFER.**

**JUN 02 1998**

**SAM ORLICH  
AUDITOR LAKE COUNTY**

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2900  
KIM  
CT

## FIRST AMENDMENT TO MEMORANDUM OF LEASE

THIS FIRST AMENDMENT TO MEMORANDUM OF LEASE (this "Amendment") is made as of May 28, 1998, by and between **DEPOT HILL FUNDING, LIMITED PARTNERSHIP**, a Delaware limited partnership ("Lessor"), having an address at ML Leasing Equipment Corp., Project and Lease Finance Group, World Financial Center, North Tower - 27th Floor, 250 Vesey Street, New York, New York 10281-1327, and **LAKESIDE ENERGY CORPORATION**, an Indiana corporation ("Lessee"), having an address at 801 East 86th Avenue, Merrillville, Indiana 46410.

### WITNESSETH

WHEREAS, Lessor and Lessee entered into that certain unrecorded Agreement for Lease dated as of September 24, 1996, as amended by that certain unrecorded First Amendment to Agreement for Lease dated as of August 22, 1997, and that certain unrecorded Second Amendment to Agreement for Lease dated as of April 30, 1998 (collectively, the "Agreement for Lease"), and that certain unrecorded Lease Agreement dated as of September 24, 1996, as amended by that certain unrecorded First Amendment to Lease Agreement dated as of August 22, 1997 (collectively, the "Lease Agreement"); and

WHEREAS, pursuant to the terms of the Lease Agreement, Lessor demised and leased to Lessee certain Premises legally described on Exhibit A to the Lease Agreement; and

WHEREAS, Lessor and Lessee executed that certain Memorandum of Lease Agreement dated as of September 24, 1996 (the "Memorandum") for the purpose of giving notice of the terms, provisions and conditions of the Agreement for Lease and the Lease Agreement, which Memorandum was recorded on September 27, 1996, in the office of the Recorder of Lake County, Indiana, as Document No. 96064446; and

WHEREAS, Exhibit A to the Memorandum legally describes the Premises demised and leased to Lessee by Lessor pursuant to the Lease Agreement; and

WHEREAS, Lessor's interest in the Premises was created pursuant to that certain Assignment of Ground Lease effective as of September 24, 1996, between Lessee and Lessor (the "Assignment"), pursuant to which Assignment Lessor acquired Lessee's interests in the leasehold estate in the Premises created by that certain unrecorded Ground Lease dated as of September 1, 1995, between USX Corporation - U.S. Steel Group, as ground lessor ("Ground Lessor"), and Lessee, as ground lessee ("Original Ground Lease"), as amended by that certain First Amendment to Ground Lease dated September 11, 1996, a Short Form and Memorandum of Lease with respect to said Original Lease and First Amendment having been recorded on September 18, 1996, in the office of the Recorder of Lake County, Indiana, as Document No. 96062456, and that certain Second Amendment to Ground Lease and First Amendment to Short Form and



Memorandum of Lease dated as of April 24, 1998 (the "Second Amendment"), which Second Amendment was recorded on May 4, 1998, in the office of the Recorder of Lake County, Indiana, as Document No. 98031942 (the Original Lease, as so amended by the First Amendment and the Second Amendment, is hereinafter referred to as the "Ground Lease"); and

WHEREAS, Ground Lessor and Lessee have revised the legal description of the Premises and, as contemplated in the Ground Lease, have agreed upon the legal descriptions for certain licensed premises intended to provide access to the Premises ("Licensed Premises") by means of the First Amendment and the Second Amendment; and

WHEREAS, Lessee and Lessor have agreed to amend the legal description of the Premises set forth in the Memorandum and to add the Licensed Premises to conform to the revised legal descriptions set forth in the Ground Lease, and to further amend the Lease Agreement in certain other respects, as set forth in that certain unrecorded Second Amendment to Lease Agreement dated as of May 28, 1998 ("Second Lease Amendment"), pursuant to which the parties agreed to enter into this Amendment;

NOW THEREFORE, in consideration of their mutual promises, Lessor and Lessee hereby agree as follows:

1. Defined Terms. All capitalized terms defined in the Memorandum and used in this Amendment shall have the same meanings as so defined in the Lease Agreement, unless otherwise expressly provided herein or in the Memorandum. In addition, from and after the date hereof, the term "Memorandum" as used in the Memorandum shall mean the Memorandum as amended by this Amendment.

2. New Legal Descriptions. Exhibit A to the Memorandum is hereby deleted in its entirety from such document and Exhibit A-1 attached to this Amendment is substituted in place thereof for all purposes of the legal description of the Premises as such term is defined in or used in the Agreement for Lease, the Lease Agreement, the Memorandum and this Amendment, as well as all other documents previously executed in conjunction with the Lease Agreement and the Agreement for Lease that refer to the legal description of the Premises. Exhibit A-2 attached to this Amendment is hereby added for all purposes of the legal description of the Licensed Premises to the extent referred to in the Lease Agreement, the Agreement for Lease, the Memorandum and this Amendment, as well as all other documents previously executed in conjunction with the Lease Agreement and the Agreement for Lease that refer to the Licensed Premises or the licenses granted under the Ground Lease.

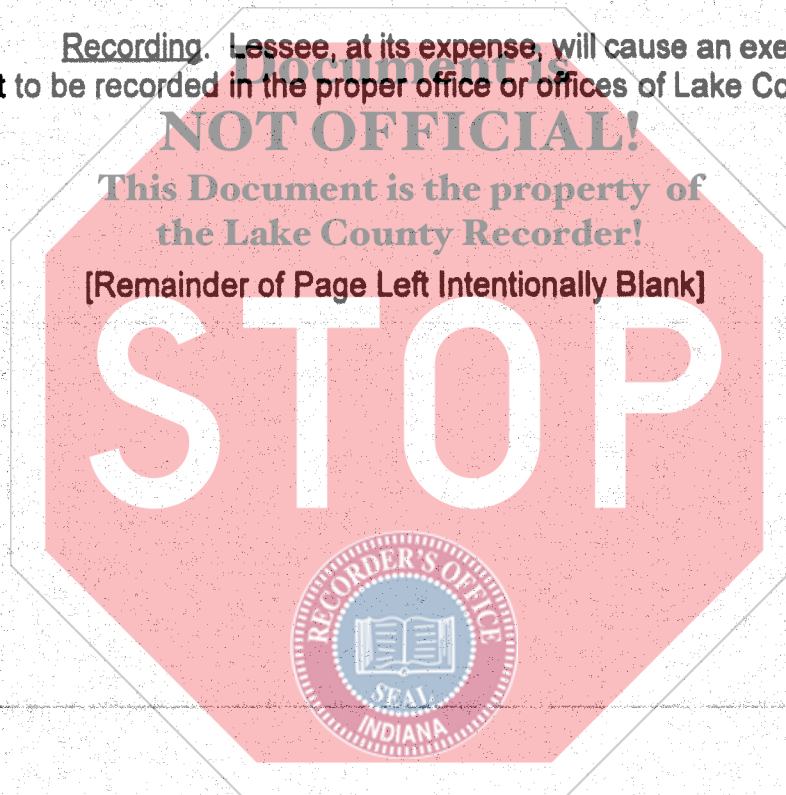
3. Reaffirmation and Confirmation of Lease Agreement and Memorandum. All of the terms, conditions, agreements, obligations and provisions set forth in the Lease Agreement (as amended by the Second Lease Amendment) and in the

Memorandum, as hereby amended, modified and supplemented, shall be and they hereby are reaffirmed, ratified and confirmed in their entirety and incorporated herein by reference as if fully set forth herein.

4. **No Further Amendments.** Except as otherwise provided herein or in the Second Lease Amendment, in all other respects the Lease Agreement and Memorandum shall remain unchanged and in full force and effect.

5. **Executed Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute only one legal instrument. This Amendment shall become effective when copies hereof (when taken together) shall bear the signatures of both the parties hereto.

6. **Recording.** Lessee, at its expense, will cause an executed original of this Amendment to be recorded in the proper office or offices of Lake County, Indiana.



IN WITNESS WHEREOF, Lessor and Lessee have caused this Amendment to be executed and delivered as of the day and year first above written.

**LESSOR:**

**DEPOT HILL FUNDING, LIMITED PARTNERSHIP**

By: **Depot Hill Capital, Inc., its general partner**

By: Jean M. Tomaselli

Name: Jean M. Tomaselli  
Vice President and  
Assistant Secretary

Title: \_\_\_\_\_

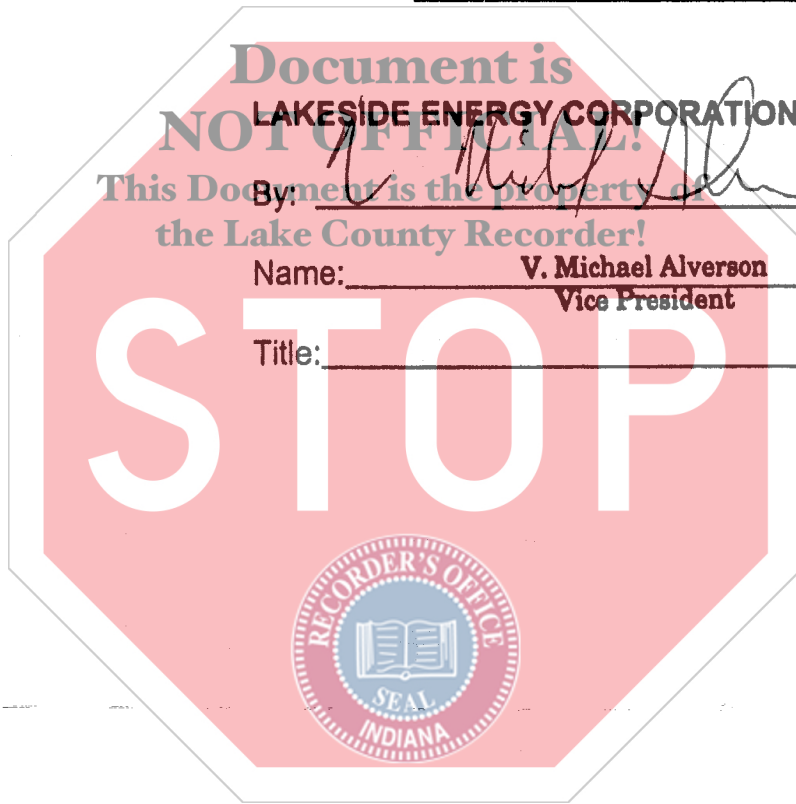
**LESSEE:**

**Document is NOT OFFICIAL!**  
**LAKESIDE ENERGY CORPORATION**

By: V. Michael Alverson  
This Document is the property of the Lake County Recorder!

Name: V. Michael Alverson  
Vice President

Title: \_\_\_\_\_





**ACKNOWLEDGMENT**

STATE OF NY )  
 )  
COUNTY OF NY )

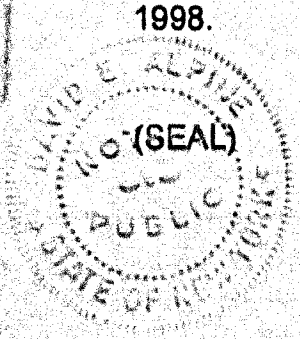
SS:

Before me, a Notary Public in and for the State of <sup>NY</sup> ~~Indiana~~, personally appeared Jean M. Tomaselli, the VP and Assistant Secretary of Depot Hill Capital, Inc., a Delaware corporation, which is the General Partner of **DEPOT HILL FUNDING, LIMITED PARTNERSHIP**, a Delaware limited partnership, who, having been first duly sworn, acknowledged the execution of the foregoing instrument on behalf of said corporation, which corporation was acting in its capacity as General Partner of said partnership, and stated that all representations contained therein are true.

Witness my hand and Notarial Seal this 28th day of May, 1998.

**This Document is the property of the Lake County Recorder!**

**STOP**



David E. Alpine  
Notary Public

David E. Alpine  
Printed Name



DAVID E. ALPINE  
Notary Public, State of New York  
No. 31-4968413  
Qualified in New York County  
Commission Expires June 25, 19\_\_

I am a resident of \_\_\_\_\_  
County, \_\_\_\_\_

My Commission Expires:  
\_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ILLINOIS *Indiana*)  
COUNTY OF GOOK *Lake* ) SS:

Before me, a Notary Public in and for the State of <sup>*Indiana*</sup> Illinois, personally appeared *V. Michael Alverson*, the *Vice President* of **LAKESIDE ENERGY CORPORATION**, an Indiana corporation, who, having been first duly sworn, acknowledged the execution of the foregoing instrument on behalf of said corporation, and stated that all representations contained therein are true.

Witness my hand and Notarial Seal this *22nd* day of *May*, 199*8*.

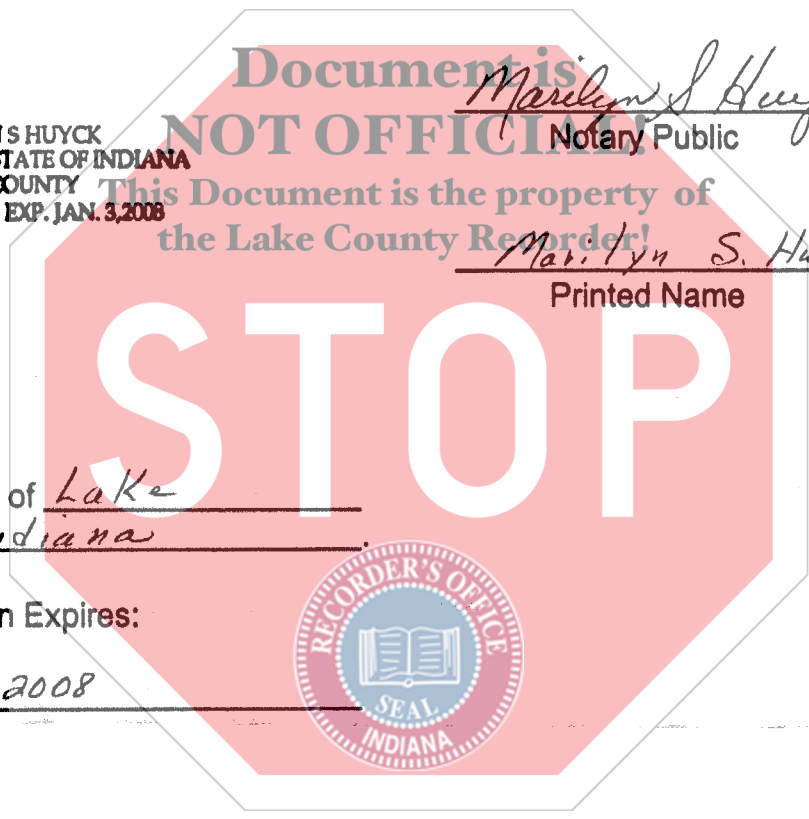
(SEAL)

MARILYN S HUYCK  
NOTARY PUBLIC STATE OF INDIANA  
LAKE COUNTY  
MY COMMISSION EXP. JAN. 3, 2008

Document is NOT OFFICIAL  
This Document is the property of the Lake County Recorder!

*Marilyn S. Huyck*  
Notary Public

*Marilyn S. Huyck*  
Printed Name



I am a resident of *Lake*  
County, *Indiana*

My Commission Expires:  
*1-3-2008*



## EXHIBIT A-1

### REVISED LEGAL DESCRIPTION OF PREMISES

A parcel of land in the Northwest Quarter (NW 1/4) of Section Thirty-Four (34) and the Southwest Quarter (SW 1/4) of Section Twenty-Seven (27), Township Thirty-Seven (37) North, Range Eight (8) West of the Second Principal Meridian, in the City of Gary, Lake County, Indiana, more particularly described as follows:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION THIRTY-FOUR (34); THENCE SOUTH EIGHTY-NINE DEGREES, THIRTY-EIGHT MINUTES, TWENTY-FOUR SECONDS EAST (S 89° 38' 24" E) ALONG THE SOUTH LINE OF SAID SECTION THIRTY-FOUR (34) (BASIS OF BEARINGS), ONE THOUSAND EIGHT HUNDRED NINETY-TWO AND SEVENTY-FIVE HUNDREDTHS FEET (1892.75'); THENCE NORTH ZERO DEGREES, ZERO MINUTES, ZERO SECONDS EAST (N 0° 00' 00" E), FIVE THOUSAND FIFTY-ONE FEET (5051.00') TO THE POINT OF BEGINNING OF THIS PARCEL, SAID POINT BEING THIRTEEN AND FIFTY HUNDREDTHS FEET (13.50') WEST OF THE NORTHWEST CORNER OF THE NO. 4 BOILER HOUSE; THENCE CONTINUING NORTH ZERO DEGREES, ZERO MINUTES, ZERO SECONDS EAST (N 0° 00' 00" E), FOUR HUNDRED SIX FEET (406.00'); THENCE SOUTH NINETY DEGREES, ZERO MINUTES, ZERO SECONDS EAST (S 90° 00' 00" E), ONE HUNDRED EIGHT AND FIFTY HUNDREDTHS FEET (108.50'); THENCE SOUTH ZERO DEGREES, ZERO MINUTES, ZERO SECONDS WEST, (S 0° 00' 00" W); TWO HUNDRED TWENTY-SIX FEET (226.00'); THENCE SOUTH NINETY DEGREES, ZERO MINUTES, ZERO SECONDS EAST (S 90° 00' 00" E), TWENTY-SEVEN FEET (27.00'); THENCE SOUTH ZERO DEGREES, ZERO MINUTES, ZERO SECONDS WEST (S 0° 00' 00" W), FIFTY-FOUR FEET (54.00'); THENCE SOUTH NINETY DEGREES, ZERO MINUTES, ZERO SECONDS WEST (S 90° 00' 00" W), TWENTY-SEVEN FEET (27.00'); THENCE SOUTH ZERO DEGREES, ZERO MINUTES, ZERO SECONDS WEST (S 0° 00' 00" W), ONE HUNDRED TWENTY-SIX FEET (126.00'); THENCE NORTH NINETY DEGREES, ZERO MINUTES, ZERO SECONDS WEST (N 90° 00' 00" W), ONE HUNDRED EIGHT AND FIFTY HUNDREDTHS FEET (108.50') TO THE POINT OF BEGINNING, CONTAINING ONE AND FORTY-FIVE THOUSANDTHS OF AN ACRE, MORE OR LESS (1.045 AC, ±).



## EXHIBIT A-2

### LICENSED PREMISES LEGAL DESCRIPTIONS

#### Roadway License Descriptions

A strip of land situated in the West Half of Section 33, the South Half of Section 28, the Southwest Quarter of Section 27 and the Northwest Quarter of Section 34, Township 37 North, Range 8 West of the 2nd Principal Meridian in the City of Gary, Lake County, Indiana, said strip being thirty (30) feet in width, the centerline of which is more particularly described as follows:

Commencing at the Northeast Corner of Section 4, Township 36 North, Range 8 West; thence South  $1^{\circ}05'08''$  East. (said bearing based on Indiana State Plane Coordinate System and all subsequent bearings are related thereto), 529.58 feet; thence North  $80^{\circ}35'08''$  West, 577.83 feet (this course and the following eight courses are along the Southerly property line of United States Steel Corporation); thence North  $0^{\circ}29'08''$  West, 86.07 feet; thence South  $89^{\circ}41'37''$  West, 359.88 feet; North  $74^{\circ}32'28''$  West, 544.02 feet; thence North  $71^{\circ}41'23''$  West, 696.45 feet; thence North  $67^{\circ}13'23''$  West, 648.53 feet; thence North  $62^{\circ}56'23''$  West, 925.55 feet; thence South  $49^{\circ}51'37''$  West, 173.58 feet; thence North  $63^{\circ}50'57''$  West, 178.46 feet; thence North  $1^{\circ}23'30''$  East, 1798.03 feet along the Westerly property line of United States Steel Corporation; thence North  $88^{\circ}36'31''$  West, 228.08 feet to the intersection of the curved Southeasterly property line of United States Steel Corporation with the centerline of the northerly extension of Buchanan Street, said point being the Point of Beginning of this legal description:

- 1) thence North  $33^{\circ}12'24''$  West, 197.20 feet along said extension of Buchanan Street;
- 2) thence North  $49^{\circ}23'55''$  West, 230.49 feet along said extension of Buchanan Street;
- 3) thence North  $61^{\circ}30'51''$  West, 146.77 feet along said extension of Buchanan Street to the entrance of the Truck Scale area;
- 4) thence North  $16^{\circ}27'07''$  West, 155.36 feet;
- 5) thence North  $33^{\circ}07'43''$  East, 481.23 feet;
- 6) thence North  $5^{\circ}42'38''$  East, 331.65 feet to intersect Route 15;
- 7) thence North  $6^{\circ}44'05''$  East, 673.65 feet along Route 15;
- 8) thence North  $4^{\circ}44'35''$  West, 229.79 feet along Route 15;
- 9) thence North  $0^{\circ}12'42''$  East, 1353.01 feet along Route 15;
- 10) thence North  $11^{\circ}18'36''$  East, 147.87 feet along Route 15 to the intersection with Route 4;
- 11) thence South  $66^{\circ}47'20''$  East, 596.26 feet along Route 4;
- 12) thence South  $78^{\circ}44'55''$  East, 384.39 feet along Route 4;
- 13) thence South  $88^{\circ}12'09''$  East, 701.35 feet along Route 4;
- 14) thence North  $74^{\circ}43'28''$  East, 246.72 feet along Route 4;
- 15) thence North  $47^{\circ}20'14''$  East, 138.71 feet along Route 4;

- 16) thence South 88°53'16" East, 2730.51 feet along Route 4;
- 17) thence North 81°24'15" East, 260.93 feet along Route 4;
- 18) thence South 82°45'43" East, 881.02 feet along Route 4 to the intersection with Route 5;
- 19) thence North 12°00'22" East, 225.94 feet along Route 5 to the intersection with Route 2;
- 20) thence South 82°49'22" East, 408.20 feet along Route 2 to the intersection with Route 3;
- 21) thence South 5°26'25" East, 168.76 feet along Route 3;
- 22) thence South 21°21'04" East, 118.11 feet along Route 3;
- 23) thence South 1°01'43" West, 724.12 feet along Route 3 and along the West side of the Premises legally described in Exhibit A-1 to the Point of Ending of this roadway license description, said land being 11,532.04 feet long and 30 feet wide with an area of 7.942 Acres, more or less.

And also a Roadway Easement which shall provide access from the Waterway License Description set forth below to the Premises described on Exhibit A-1 as follows:

A strip of land 30 feet wide situated in the North Half of Section 34, and the South Half of Section 27, Township 37 North, Range 8 West of the 2nd Principal Meridian in the City of Gary, Lake County, Indiana, the centerline of which is described as follows:

Commencing at the Northwest Corner of Section 3, Township 36 North, Range 8 West; thence South 88°30'08" East (said bearing based on Indiana State Plane coordinate system and all subsequent bearings are related thereto), 3208.58 feet; thence North 1°10'57" East, 5626.98 feet to the Point of Beginning of legal description;

- 1) Thence North 44°27'42" West, 287.22 feet along Route 2;
- 2) Thence North 62°52'24" West, 228.09 feet along Route 2;
- 3) Thence North 70°55'51" West, 257.11 feet along Route 2;
- 4) Thence North 83°17'50" West, 471.22 feet along Route 2 to the Point of Ending of legal description, said point being at the intersection of Route 3 and also on the centerline of the separate Roadway License Description legally described above to the Premises legally described on Exhibit A-1. The land described pursuant to this legal description being 1243.64 feet in length and having an area of 0.857 acres, more or less.

### Waterway License

A parcel of land in the East Half of Section 34 and the Southeast Quarter of Section 27, Township 37 North, Range 8 West of the 2nd Principal Meridian in the City of Gary, Lake County, Indiana, more particularly described as follows:

Commencing at the Northwest Corner of Section 3, Township 36 North, Range 8 West; thence South 88°30'08" East (said bearing based on Indiana State Plane Coordinate System and all subsequent bearings are related thereto), 3208.58 feet; thence North 1°10'57" East, 408.00 feet to the Point of Beginning of this legal description;

- 1) Thence North 1°10'57" East, 5258.98 feet along a line parallel with and 40 feet, more or less, West of the West Dock Line of United States Steel Corporation's slip;
- 2) Thence South 88°49'03" East, 40.00 feet to the West Dock Line;
- 3) Thence North 1°10'57" East, 1400.00 feet along the West Dock Line and a prolongation of said line;
- 4) Thence North 66°10'57" East, 1800.00 feet to the open waters of Lake Michigan;
- 5) Thence South 23°49'03" East, 250.00 feet;
- 6) Thence South 66°10'57" West, 1640.73 feet;
- 7) Thence South 1°10'57" West, 6600.72 feet along the East Dock Line, the northerly prolongation and the southerly prolongation of said line;
- 8) Thence North 66°49'03" West, 269.63 feet along the Southwest Dock Line;
- 9) Thence North 88°49'03" West, 40.00 feet to the Point of Beginning having an area of 52.753 Acres, more or less.

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