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STATE OF INDIANA
LAKE COUNTY
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MORRIS W. CARTER
RECORDER

NORTHWEST INDIANA WATER COMPANY

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NBD BANK, N.A.
(successor by merger to Gainer Bank, National Association)

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Trustee

STOP

THIRD SUPPLEMENTAL INDENTURE

Dated as of December 1, 1998



Original Indenture 981043362
First Supp Indenture 94009191
Second Supp Indenture 96039968

Supplementing Mortgage Indenture dated as of
August 1, 1991, and creating 5.00% Mortgage
Bonds, Series D

Hodges & Davis
8700 Broadway
Merue. 46410

57.00
Su
6739

This THIRD SUPPLEMENT INDENTURE, dated as of December 1, 1998, between NORTHWEST INDIANA WATER COMPANY (formerly named Gary-Hobart Water Corporation), a corporation organized and existing under the laws of the State of Indiana (hereinafter called the "Company"), and NBD BANK, N.A., a national banking association (successor by merger to Gainer Bank, National Association), having its principal corporate trust office in the City of Indianapolis, in the State of Indiana, as Trustee (hereinafter called the "Trustee").

WITNESSETH:

WHEREAS, the Company has heretofore executed and delivered to the Trustee a Mortgage Indenture dated as of August 1, 1991 (hereinafter sometimes referred to as the "Original Indenture"), a First Supplemental Indenture thereto dated as of January 1, 1994 and a Second Supplemental Indenture thereto dated as of June 1, 1996 (the Original Indenture as so supplemented and as supplemented by this supplemental indenture being hereinafter sometimes collectively referred to as the "Indenture"), to secure the Mortgage Bonds of the Company, issuable in series; and

WHEREAS, there have been issued and are now outstanding under the Indenture \$8,000,000 principal amount of 6.70% Mortgage Bonds, Series A, due August 1, 2021 (the "Series A Bonds") \$9,000,000 principal amount of 6.99% Mortgage Bonds, Series B, due January 1, 2024 and \$10,000,000 principal amount of 5.90% Mortgage Bonds, Series C, due June 1, 2026; and

WHEREAS, in order to provide funds for the redemption of the Series A Bonds the Company desires to create a new series of bonds, limited in aggregate principal amount to \$8,000,000, to be issued under and secured by the Indenture, and the Company desires presently to issue and sell bonds of said new series; and

WHEREAS, the Company has entered into a Loan Agreement (the "Agreement") dated as of December 1, 1998, with the Indiana Development Finance Authority (the "Authority"), a public instrumentality of the State of Indiana and a public body corporate and politic organized and existing under IC 4-4-10.9 and 11, as amended (the "Act"), providing for (i) the issuance by the Authority of bonds (the "Revenue Bonds") pursuant to an Indenture of Trust dated as of December 1, 1998 (the "Authority Indenture"), by and between the Authority and UMB Bank of St. Louis, National Association, as trustee (the "Revenue Bond Trustee"), to provide funds to loan to the Company for the redemption of the Series A Bonds; (ii) the loan by the Authority of the proceeds of the Revenue Bonds pursuant to the Loan Agreement; and (iii) the payment of the Revenue Bonds from loan payments and certain other amounts payable by the Company under the Loan Agreement as evidenced and secured by the bonds of said new series to be issued pursuant to this Third Supplemental Indenture; and

WHEREAS, the Indenture provides that in case any new series of bonds is to be created, the Company shall execute and deliver to the Trustee a supplemental indenture creating such series, setting forth the text of the form of such bonds and the coupons, if any, appertaining thereto, the

terms and provisions of such bonds as well as any and all special provisions created or undertaken by the Company in respect of the bonds of the said series; and

WHEREAS, all acts and proceedings required by law and by the Articles of Incorporation and By-Laws of the Company, including all action requisite on the part of its stockholders, directors and officers, necessary to make this Third Supplemental Indenture in the form and terms hereof a valid and binding instrument in accordance with its terms and for the purposes herein expressed have been done and taken and the execution and delivery of this Third Supplemental Indenture have been in all respects duly authorized;

NOW, THEREFORE, in consideration of the premises and of the sum of One Dollar (\$1.00) to the Company duly paid by the Trustee at or before the sealing and delivery hereof and for other good and valuable considerations, the receipt whereof is hereby acknowledged, the Company hereby covenants to and with the Trustee and its successors in the trusts under the Indenture, for the equal and pro rata benefit of all present and future holders of all bonds issued and to be issued under the Indenture, and of the coupons thereto appertaining, without any preference, priority or distinction whatsoever, as follows:

ARTICLE ONE
SERIES D BONDS AND PROVISIONS RELATING THERETO.

Section 1.01. There is hereby created and authorized a series of bonds designated "5.00% Mortgage Bonds, Series D, due December 1, 2028" (hereinafter called the "*Series D Bonds*"), limited in aggregate principal amount to \$8,000,000. The Series D Bonds shall be issued in the form of registered bonds without coupons. Each Series D Bond shall be dated as of December 1, 1998. Each Series D Bond shall bear interest from the date thereof and shall be in the denomination of any multiple of \$5,000 specified in any order for authentication thereof. Each Series D Bond shall be numbered RD-1 and upwards without regard to denominations. The Series D Bonds shall be substantially in the form hereinafter set forth. All Series D Bonds shall mature on December 1, 2028, shall bear interest at the rate of 5.00% per annum, payable on the first day of June and December in each year, principal, premium, if any, and interest being payable at the corporate trust operations office of NBD Bank, N.A., in the City of Chicago, Illinois or of its successor in trust under the Indenture, in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts; *provided* that interest on the principal or all or any portion of the principal of any Series D Bond may be paid by agreement of the Company with the Owner thereof, by check mailed or bank wire transfer to the Owner at its banking address last appearing upon the Bond Register subject, in the case of the payment in full of the principal of any Series D Bond, to the presentation thereof as provided in the Indenture. The Series D Bonds shall bear interest on any overdue principal and premium, if any, and (to the extent legally enforceable) on any overdue installment of interest at the rate of 7.00% per annum.

The Bonds may be redeemed at the option of the Company on or after December 1, 2005, in whole at any time or in part on any interest payment date, at the following redemption prices plus accrued interest to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Price</u>
December 1, 2005, through November 30, 2006	102%
December 1, 2006, through November 30, 2007	101%
December 1, 2007, and thereafter	100%

The Series D Bonds are not otherwise subject to redemption except as provided in the form of Series D Bond hereinafter set forth and in the Indenture.

In the event of the redemption or payment of a portion of the principal amount of any Series D Bonds registered in the name of any initial purchaser in whose name Series D Bonds were first registered, or registered in the name of any subsequent Owner named in a written order of the Company signed by its President or a Vice President filed with the Trustee and stating that the provisions of this paragraph shall be applicable thereto, the Trustee may make payment to such Bondowner without requiring presentation of such bond and, in lieu of noting such payment thereon or of authenticating and delivering a new bond or bonds of an aggregate principal amount equal to the unredeemed portion of the principal amount of such bond, the Trustee may, in its letter transmitting payment to such Bondowner, instruct such Owner to endorse such payment on such bond.

Section 1.02. Series D Bonds in the aggregate principal amount of Eight Million Dollars (\$8,000,000), in temporary or definitive form, shall upon execution hereof and upon compliance by the Company with the provisions of the Indenture be executed by the Company and delivered to the Trustee and shall be by the Trustee authenticated and delivered upon the written order of the Company, signed by its President.

Section 1.03. The Series D Bonds shall be in substantially the following form, with such appropriate omissions, insertions and variations as are provided for or permitted in the Indenture, to-wit:

NORTHWEST INDIANA WATER COMPANY

5.00% Mortgage Bond, Series D

Due December 1, 2028

Number RD-1

\$8,000,000

NORTHWEST INDIANA WATER COMPANY (hereinafter called the "*Company*"), a corporation organized and existing under and by virtue of the laws of the State of Indiana, for value received, acknowledges itself indebted and hereby promises to pay to UMB Bank of St. Louis, National Association, as trustee under an Indenture of Trust dated as of December 1, 1998, made by the Indiana Development Finance Authority, or registered assigns, on the first day of December, 2028, Eight Million and 00/100 Dollars (\$8,000,000.00), and to pay interest thereon from the date hereof at the rate of five and no hundredths percent (5.00%) per annum (computed on the basis of twelve 30-day months) until the payment of said principal sum, payable semi-annually on the first day of June and December in each year.

The principal of and interest on this bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, at the corporate trust operations office of NBD Bank, N.A., in the City of Chicago, Illinois or of its successor in trust under the Indenture hereinafter mentioned; *provided* that interest on the principal or all or any portion of the principal of this bond may be paid by agreement of the Company with the registered owner of this bond by check mailed or bank wire transfer to the registered owner at his banking address last appearing upon the Bond Register of the Company subject, in the case of the payment in full of the principal of this bond, to the presentation of this bond as provided in the Indenture.

This bond is one of a series of bonds designated "5.00% Mortgage Bonds, Series D" (hereinafter called the "*Series D Bonds*") of the Company authorized in the aggregate principal amount of \$8,000,000, issued and to be issued under and pursuant to and secured by a Mortgage Indenture dated as of August 1, 1991, as supplemented by a First Supplemental Indenture dated as of January 1, 1994, a Second Supplemental Indenture dated as of June 1, 1996 and a Third Supplemental Indenture dated as of December 1, 1998 (herein collectively referred to as the "*Indenture*"), duly executed and delivered by the Company to NBD Bank, N.A. (successor by merger to Gainer Bank, National Association), as Trustee, to which Indenture, including all indentures supplemental thereto, reference is hereby made for a description of the property, rights and franchises thereby mortgaged, the nature and extent of the security, the rights of the Owners of the bonds issuable thereunder in respect of such security and the rights and immunities of the Trustee. Such bonds are issuable under the Indenture in successive series which may vary as to date, date of maturity, rate of interest, medium of payment, and in other respects as in the said Indenture provided.

The Company has entered into a Loan Agreement (the "Agreement") with the Indiana Development Finance Authority (the "Authority") to provide for the payment of an issue by the Authority of \$8,000,000 principal amount of Economic Development Refunding Revenue Bonds (Northwest Indiana Water Company Project) Series 1998, dated the date of their initial issuance and delivery (the "Revenue Bonds"), issued pursuant to an Indenture of Trust dated as of December 1, 1998 (the "Authority Indenture"), between the Authority and the trustee under the Authority Indenture (the "Revenue Bond Trustee"), for the purpose of providing funds to refinance the costs of certain water facilities of the Company (the "Project") pursuant to the provisions of Indiana Code, Title 4, Article 4, Chapters 10.9 and 11. All of the Series D Bonds have been issued by the Company in satisfaction of payments required to be made by the Company pursuant to the Agreement and are to be assigned by the Authority to the Revenue Bond Trustee.

The Series D Bonds may be redeemed at the option of the Company on or after December 1, 2005, in whole at any time or in part on any interest payment date, at the following redemption prices plus accrued interest to the redemption date:

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<u>Redemption Dates</u>	<u>Redemption Price</u>
December 1, 2005, through November 30, 2006	102%
December 1, 2006, through November 30, 2007	101%
December 1, 2007, and thereafter	100%

The Series D Bonds will be redeemed in whole (or in part as provided below) on any day within 120 days after the Company receives written notice from a registered owner or former owner of a Revenue Bond or the Revenue Bond Trustee of a final determination by the Internal Revenue Service or a court of competent jurisdiction that, as a result of a failure by the Company to perform any of its agreements in the Agreement or the inaccuracy of any of its representations in the Agreement or any certificate submitted pursuant to the Authority Indenture, the interest paid or to be paid on any Revenue Bond (except to a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended) is or was includable in the gross income of the owner of such Revenue Bond for Federal income tax purposes. No such determination will be considered final unless the registered owner or former registered owner involved in the determination gives the Company, the Revenue Bond Trustee and the Trustee under the Indenture prompt written notice of the commencement of the proceeding resulting in the determination and offers the Company, subject to the Company's agreeing to pay all expenses of the proceeding and to indemnify such registered owner against all liabilities that might result from it, the opportunity to control the defense of the proceeding and either the Company does not agree within 30 days to pay the expenses, indemnify such registered owner and control the defense or the Company exhausts or chooses not to exhaust available procedures to contest or obtain review of the result of the proceeding. Fewer than all the Series D Bonds may be redeemed if redemption of fewer than all would result in the interest payable on the Revenue Bonds remaining outstanding being not includable in the gross income for Federal income tax purposes of any owner other than a "substantial user" or "related person". If fewer than all Series D Bonds are redeemed, the Trustee will select the

Series D Bonds to be redeemed by lot as provided in the Indenture or by such other method acceptable to the Trustee as may be specified in an Opinion of Tax Counsel. If this redemption occurs in accordance with the terms of the Authority Indenture, such failure by the Company to perform any of its agreements in the Agreement or inaccuracy of any of its representations in the Agreement or any certificate submitted pursuant to the Authority Indenture shall not in and of itself constitute an event of default under the Authority Indenture, the Series D Bonds, the Revenue Bonds or the Indenture. Any such redemption shall be at a price equal to 100% of the principal amount of the Series D Bonds so to be redeemed, plus accrued interest to the redemption date.

On December 1 of each year commencing December 1, 2002, the Company will, upon the death of any registered owner of a Revenue Bond, purchase Series D Bonds to the extent of Revenue Bonds held by such registered owner following proper presentation for purchase by such registered owner's personal representative or surviving joint tenant(s), subject to the limitation that in any 12 month period the Company shall not be obligated to purchase Series D Bonds pursuant to this paragraph to the extent that the aggregate principal amount of Revenue Bonds so subject to purchase exceeds \$150,000, or the Revenue Bonds of any registered owner in excess of the aggregate principal amount of \$25,000. Series D Bonds in any amount (limited as above) equal to the amount of Revenue Bonds properly presented for purchase on any October 1 will be purchased by the Company on the succeeding December 1. Any such purchases shall be at a price equal to 100% of the principal amount of the Series D Bonds so to be purchased, plus accrued interest to the purchase date. Any Series D Bonds purchased by the Company in accordance with the foregoing provisions shall, at the option of the Company, be either reoffered for sale and sold within one hundred eighty (180) days of the date of purchase or presented to the Trustee for redemption and cancellation.

So long as the Revenue Bond Trustee is the owner of all the Series D Bonds, upon cancellation in full or in part of any of the Revenue Bonds (or provision for payment thereof having been made in accordance with the provisions of the Authority Indenture) and payment of all fees and charges of the trustee thereunder, such trustee may, in lieu of surrendering Series D Bonds for redemption and issuance of new Series D Bonds, make an appropriate endorsement thereon of the particulars of any such partial redemption and the amount of Series D Bonds then remaining outstanding.

Any redemption of the Series D Bonds shall be effected upon notice delivered by the Trustee not less than thirty and not more than sixty days prior to the date of redemption, to the registered owner of the bonds at its address as the same shall appear on the bond register of the Company maintained by the Trustee as Bond registrar, all subject to the conditions of, and as more fully set forth in, the Indenture.

The Series D Bonds may be redeemed at the option of the Company under Section 3.02 of the Indenture on or after sale of all or substantially all of the Company's waterworks plant or water distribution system for a given geographic area pursuant to a condemnation or under threat of condemnation by a municipality or other lawful authority and, in such event, the Series D Bonds may be redeemed at the option of the Company, in whole at any time or in part on any interest payment

date, at a redemption price equal to 100% of their principal amount plus interest accrued to the redemption date.

In any case where the date of maturity of interest or principal of the Series D Bonds or the date of redemption of any of the Series D Bonds shall be a weekend or a legal holiday in Gary, Indiana, or a day on which banking institutions in such city, or the city in which any paying agent is located, are authorized by law to close, then payment of principal, premium, if any, and interest may be made on the next succeeding day which is not a weekend or a legal holiday or a date on which banking institutions are authorized by law to close.

In case an event of default as defined in the Indenture shall occur, the principal of this bond may become or be declared due and payable at the time or times and in the manner and with the effect provided in the Indenture.

This bond is transferable by the registered owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office of the trustee, in the City of Indianapolis, Indiana, upon surrender and cancellation of this bond, and thereupon a new registered bond or bonds of the same aggregate principal amount in authorized denominations of the same series will be issued to the transferee or transferees in exchange hereof.

When proposed by the Company and to the extent permitted by and as provided in the Indenture, the rights and obligations of the Company and of the Owners of the bonds and the provisions of the Indenture, or of any indenture supplemental thereto, may be modified in certain respects with the assent and authorization in writing, given as in the Indenture provided, of the Owners of not less than 66-2/3% in aggregate principal amount of the bonds then outstanding under the Indenture (exclusive of bonds disqualified by reason of the Company's interest therein); provided, however, that no such modification shall be made without the written approval or consent of the Owner hereof which will:

- (a) extend the fixed maturity or time or amount of periodic principal of the bonds, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest thereon, or reduce any premium payable upon the redemption thereof, or change the interest or maturity date thereof or to restrict the right, to institute suit for enforcement thereof, or
- (b) reduce the aforesaid percentage of bonds, the Owners of which are required to consent to any such modification.

No recourse shall be had for the payment of the principal of or the interest on this bond or of any claim based hereon or in respect hereof or of the Indenture against any incorporator, stockholder, officer or director, past, present or future, of the Company, or of any predecessor or successor corporation, either directly or through any receiver or trustee, whether by virtue of any constitution,

statute or rule of law or by the enforcement of any assessment or penalty, or otherwise, all such liability being by the acceptance hereof expressly released.

Under the terms of the Indenture, all bonds described therein and issued thereunder are secured equally and ratably with each of said bonds. Also, under the terms of the Indenture, the Company may execute supplemental indentures authorizing the issuance thereunder of additional bonds if the requirements set forth in the Indenture for the issuance of additional bonds are complied with. Any additional bonds which are issued shall be entitled to be secured equally and ratably with other outstanding bonds of the Company issued under the Indenture.

This bond is transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, upon presentation at the office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this bond with appropriate notations thereon reflecting all payments of the principal sum thereof. Upon any such transfer, a new bond or bonds of authorized denomination or denominations of the same series, for the unpaid aggregate principal amount, will be issued to the transferee in exchange therefor, which transferee shall be the absolute owner thereof.

The Company, the Trustee, any paying agent and any bond registrar may deem and treat the registered owner hereof (whether or not this bond shall be overdue and notwithstanding any notations of ownership or other writing hereon made by anyone other than the bond registrar) as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes, and neither the Company nor the Trustee nor any paying agent nor any bond registrar shall be affected by any notice to the contrary.

This bond shall not become valid or obligatory for any purpose until it shall have been authenticated by the execution of the certificate hereon endorsed by an authorized representative of NBD Bank, N.A., Trustee under the Indenture, or its successor in said trust.

IN WITNESS WHEREOF, Northwest Indiana Water Company has caused these presents to be signed in its name by its President or by one of its Vice Presidents and its corporate seal to be hereunto affixed and attested by its Secretary or by one of its Assistant Secretaries.

Dated: December 1, 1998

NORTHWEST INDIANA WATER
COMPANY

[SEAL]

By _____
Larry A. Hensley
President

Attested:

Michael G. Hinkle
Assistant Secretary

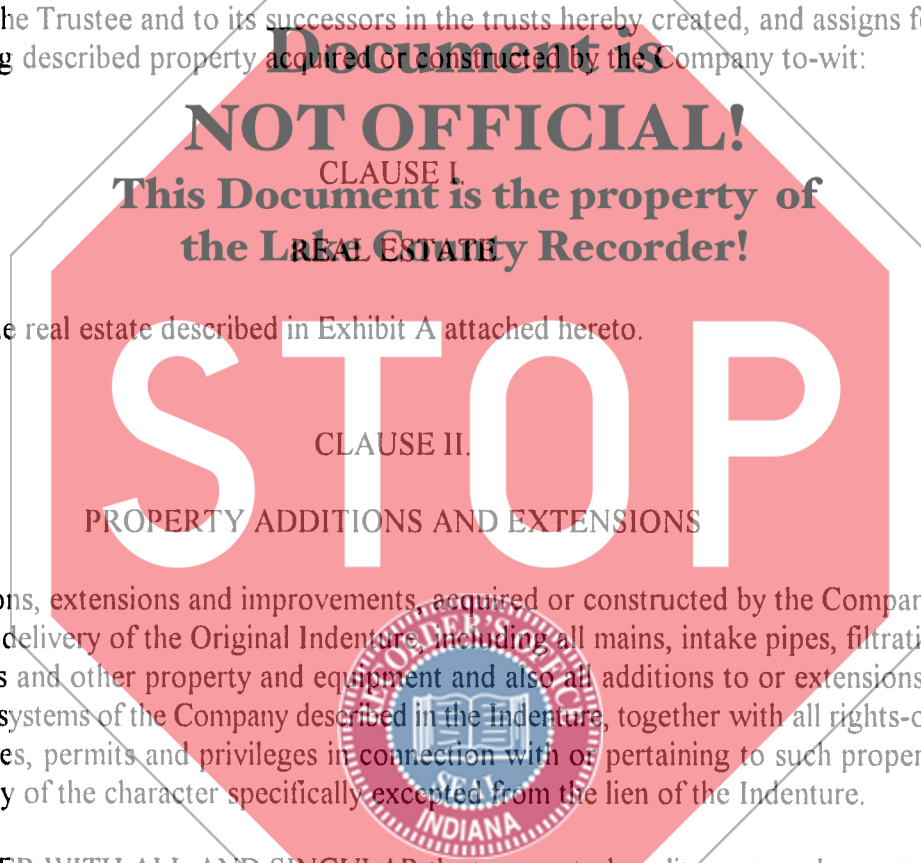


This bond is one of the bonds, of the series designated therein, described in the within mentioned Indenture.

Section 1.04. The Company covenants that so long as any Series D Bonds remain outstanding it will not declare or pay any dividend on any shares of its common stock (other than dividends payable solely in its common stock) except to the extent of the amount which, when aggregated with any previous dividends paid subsequent to December 31, 1997, does not exceed the net income earned by the Company subsequent to December 31, 1997 plus \$10,996,380.

ARTICLE TWO
MORTGAGE OF ADDITIONAL PROPERTY

Section 2.01. In order further to secure the payment of the principal of and interest (and premium, if any) on all bonds at any time issued and outstanding under the Indenture according to their tenor, purport and effect, and to secure the performance and observance of all of the covenants and conditions therein and in the Indenture contained, the Company, for the consideration hereinbefore expressed, has granted, bargained, sold, warranted, aliened, remised, released, conveyed, confirmed, assigned, transferred, mortgaged, pledged and set over, and by these presents does hereby grant, bargain, sell, warrant, alien, remise, release, convey, confirm, assign, transfer, mortgage, pledge and set over unto the Trustee and to its successors in the trusts hereby created, and assigns forever, all of the following described property acquired or constructed by the Company to-wit:



The real estate described in Exhibit A attached hereto.

All additions, extensions and improvements, acquired or constructed by the Company after the execution and delivery of the Original Indenture, including all mains, intake pipes, filtration and purification plants and other property and equipment and also all additions to or extensions of the water distribution systems of the Company described in the Indenture, together with all rights-of-way, easements, licenses, permits and privileges in connection with or pertaining to such property, but excluding property of the character specifically excepted from the lien of the Indenture.

TOGETHER WITH ALL AND SINGULAR the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the property herein described, or any part thereof, with the reversion or reversions, remainder or remainders, tolls, rents, revenues, issues, income, product and profits thereof, and all the estate, right, title, interest and claim whatsoever, at law or in equity, which the Company now has or which it may hereafter acquire in and to the said property and each and every parcel thereof.

TO HAVE AND TO HOLD the said property and rights hereby mortgaged, conveyed, pledged or assigned, or intended so to be, together with the appurtenances thereunto belonging and the rents, issues and profits thereof, unto the Trustee and its successors and assigns forever, to be held upon the uses and for the trusts set forth in the Indenture.

SUBJECT, HOWEVER, to the exclusions, reservations, covenants, conditions, easements, restrictions, uses and trusts set forth in the Indenture.

ARTICLE THREE
MISCELLANEOUS PROVISIONS

Section 3.01. Unless otherwise indicated, the terms used in this Third Supplemental Indenture are intended to have the meanings given to such terms in the Original Indenture.

Section 3.02. In all respects not inconsistent herewith, the Original Indenture is hereby ratified, approved and confirmed. The Trustee shall be deemed to have accepted the trusts hereby created upon the terms and conditions specified in the Original Indenture.

Section 3.03. All of the stipulations, promises, undertakings and agreements herein contained by or on behalf of the Company shall bind its successors and assigns, whether so expressed or not.

Section 3.04. The amount of additional obligations to be forthwith issued under the Indenture, as supplemented by this Third Supplemental Indenture, is Eight Million Dollars (\$8,000,000).

Section 3.05. This Third Supplemental Indenture may be executed in several counterparts and each of such counterparts shall be deemed to be an original.



IN WITNESS WHEREOF, the Company has caused its corporate name to be hereunto subscribed by its President, and its corporate seal to be hereto affixed and to be attested by its Secretary, and said NBD Bank, N.A., to evidence its acceptance of the trusts hereby created and vested in it, has caused its corporate name to be hereto subscribed by its Vice President and Trust Officer, and its corporate seal to be hereto affixed and to be attested by one of its Trust Officers, all as of the date first above written, but actually executed by the Company and by the Trustee on the respective dates set forth in the acknowledgments hereinafter set forth.

NORTHWEST INDIANA WATER
COMPANY

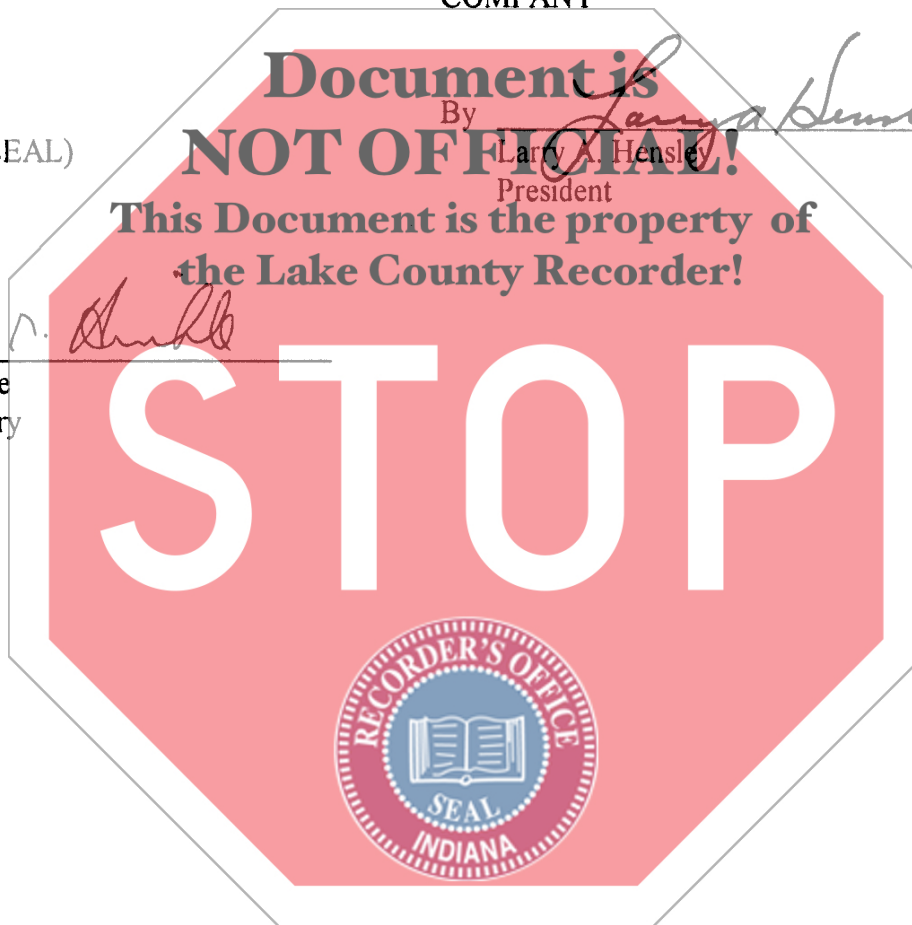
(CORPORATE SEAL)

Document is
By *Larry A. Hensley*
NOT OFFICIAL!
President

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the Lake County Recorder!

Attested:

Michael G. Hinkle
Michael G. Hinkle
Assistant Secretary



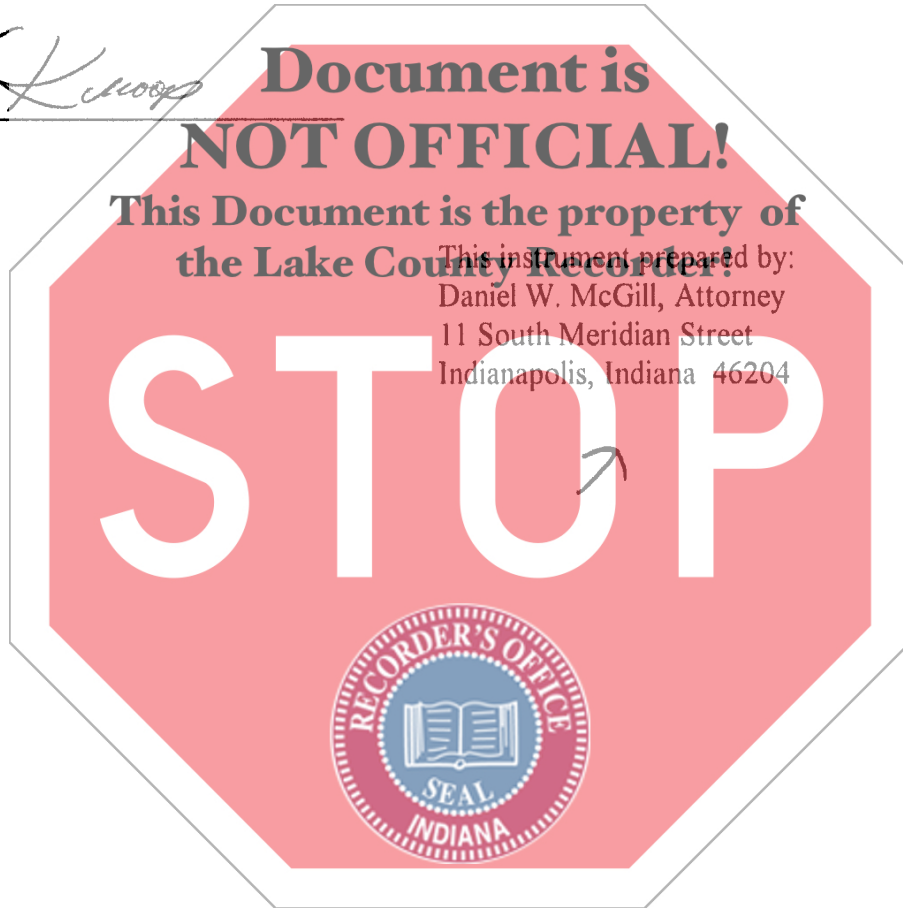
NBD BANK, N.A., Trustee

By *Daniel A Lane*
DANIEL A. LANE
Vice President

(CORPORATE SEAL)

Attested:

Peggy A Knoop
Peggy A. Knoop
Trust Officer



STATE OF INDIANA)
) SS
COUNTY OF Lake)

Before me, Yvonne Stanley, a Notary Public in and for the County and State aforesaid, this 17th day of December, 1998 personally appeared Northwest Indiana Water Company by Larry A. Hensley and Michael G. Hinkle, its President and Assistant Secretary, respectively, and acknowledged the execution of the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal this 17th day of December, 1998.

(Notarial Seal)



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Yvonne Stanley
Notary Public
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Printed: YVONNE STANLEY

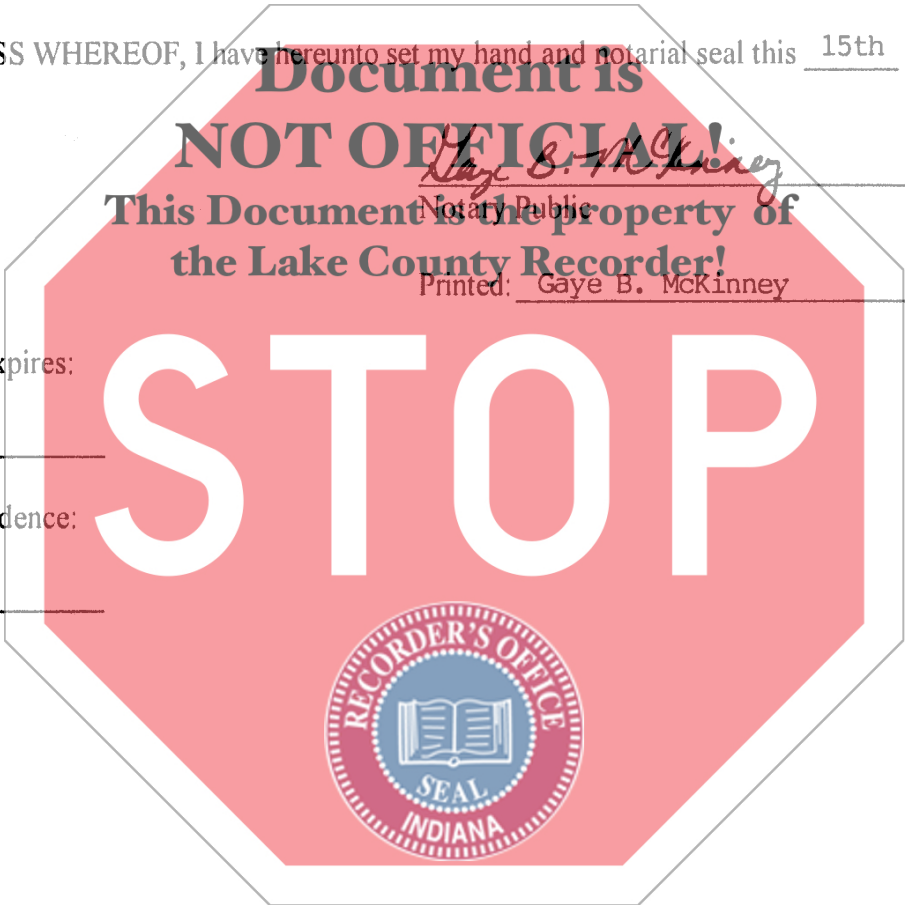
My Commission Expires:
02-25-08
My County of Residence:
Lake

STATE OF INDIANA)
) SS
COUNTY OF MARION)

Before me, Gaye B. McKinney, a Notary Public in and for the County and State aforesaid, this 15th day of December, 1998, personally appeared NBD Bank, N.A., by Daniel A. Lane and Peggy A. Knoop, its Vice President and its Trust Officer, respectively, and acknowledged the execution of the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal this 15th day of December, 1998.

(Notarial Seal)



Gaye B. McKinney
Notary Public
Printed: Gaye B. McKinney

My Commission Expires:

4-30-2001

My County of Residence:

Marion

EXHIBIT A

DESCRIPTION OF REAL ESTATE

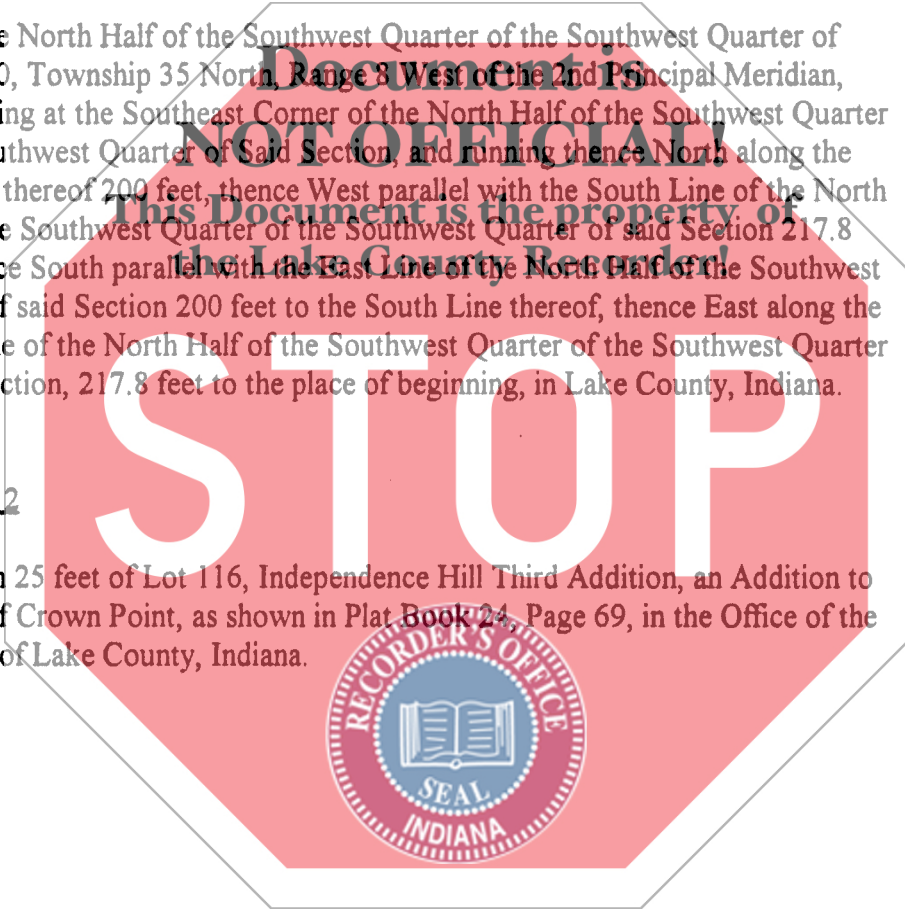
SECTION I THE FOLLOWING DESCRIBED REAL ESTATE IN LAKE COUNTY,
INDIANA

PARCEL 1

Part of the North Half of the Southwest Quarter of the Southwest Quarter of Section 20, Township 35 North, Range 8 West of the 2nd Principal Meridian, commencing at the Southeast Corner of the North Half of the Southwest Quarter of the Southwest Quarter of said Section, and running thence North along the East Line thereof 200 feet, thence West parallel with the South Line of the North Half of the Southwest Quarter of the Southwest Quarter of said Section 217.8 feet, thence South parallel with the East Line of the North Half of the Southwest Quarter of said Section 200 feet to the South Line thereof, thence East along the South Line of the North Half of the Southwest Quarter of the Southwest Quarter of said Section, 217.8 feet to the place of beginning, in Lake County, Indiana.

PARCEL 2

The South 25 feet of Lot 116, Independence Hill Third Addition, an Addition to the City of Crown Point, as shown in Plat Book 24, Page 69, in the Office of the Recorder of Lake County, Indiana.



PARCEL 3

A parcel of land in the Southwest Quarter of Section 26, Township 37 North, Range 9 West of the Second Principal Meridian in Lake County, Indiana, and being a part of a tract of land conveyed to AmeriGas Propane, L.P. by a Deed dated 04/19/1995 and recorded 05/26/1995 as Document Number 95030026 in the Office of the Recorder of Lake County, Indiana; said parcel described as follows (bearings based on the East right-of-way line of Cline Avenue having a direction of N 00°10'18" W):

Commencing at a brass plug at the Southwest corner of said Southwest Quarter; thence S 89°00'36" E along the South line of said Southwest Quarter 381.53 feet to a point on the East right-of-way line of Indiana State Highway No. 912 also known as Cline Avenue; thence N 00°10'18" W along said right-of-way line 822.26 feet to the Southwest corner of said AmeriGas tract; thence continuing N 00°10'18" W along said right-of-way line and on the West line of said AmeriGas tract 601.32 feet to the Northwest corner of said AmeriGas tract; thence N 62°08'14" E along the Northerly line of said AmeriGas tract, said line also being the Easterly line of said Cline Avenue, 169.40 feet to an iron pipe at the intersection with a line which is parallel with and 150.00 feet East of as measured perpendicular to the West line of said AmeriGas tract, said point also being the POINT OF BEGINNING; thence continuing N 62°08'14" E along said Northerly line 72.30 feet to a 5/8" diameter x 30" long rered with PTGR/Bonar identification cap at an angle point in said Northerly line, said point also being on the South right-of-way line of Chicago Avenue; thence S 88°27'48" E along said Northerly line on said South right-of-way line 88.61 feet to a 5/8" diameter x 30" long rered with PTGR/Bonar identification cap; thence S 01°32'12" W perpendicular to said Northerly line 89.00 feet to a 5/8" diameter x 30" long rered with PTGR/Bonar identification cap; thence N 88°27'48" W parallel with said Northerly line 150.00 feet to a 5/8" diameter x 30" long rered with PTGR/Bonar identification cap at the intersection with a line which is parallel with and 150.00 feet East of as measured perpendicular to the West line of said AmeriGas tract; thence N 00°10'18" W along said parallel line 53.53 feet to the point of beginning; said parcel containing 12,332 square feet/0.283 acres, more-or-less, and subject to all existing easements and rights-of-way.

PARCEL 4

A parcel of land in the North One-Half of the Southwest Quarter of Section 21, Township 35 North, Range 7 West of the Second Principal Meridian in Lake County, Indiana and being part of lands now owned by Herman C. and Shirley J. Buchfuehrer per a Quit Claim Deed dated 02/22/1993 and recorded 02/24/1993 as Document Number 93012511 in the Office of the Recorder of Lake County, Indiana; said parcel described as follows:

BEGINNING at a point on the West line of said Southwest Quarter which is 867.07 feet South of the Northwest corner of said Southwest Quarter, said point being the Southwest corner of a tract of land conveyed to the Resurrection Evangelical Lutheran Church, Inc. per a Corporate Warranty Deed dated 06/09/1994 and recorded 10/11/1994 as Document Number 94069881 in the Office of the Recorder of Lake County, Indiana; thence East parallel with the South right-of-way line of U. S. Highway No. 30 and along the South line of said Church tract 385.00 feet to the Southeast corner of said Church tract; thence South parallel with the West line of said Southwest Quarter 227.00 feet; thence West parallel with said South right-of-way line 385.00 feet to the West line of said Southwest Quarter; thence North along said West line 227.00 feet to the point of beginning; said parcel containing 2.00 acres, more-or-less, and subject to all existing easements and rights-of-way.



SECTION II THE FOLLOWING DESCRIBED REAL ESTATE IN PORTER COUNTY,
INDIANA

PARCEL 1

A parcel of land in the Southeast Quarter of Section 19, in Township 35 North, Range 6 West of the Second Principal Meridian, in Porter County, Indiana, bounded and described as follows:

Commencing at the Northeast corner of the Southeast Quarter of the Southeast Quarter of Section 19;

Thence: North 00 degrees 08 minutes 25 seconds East, 183.26 feet along the East line of said Southeast Quarter;

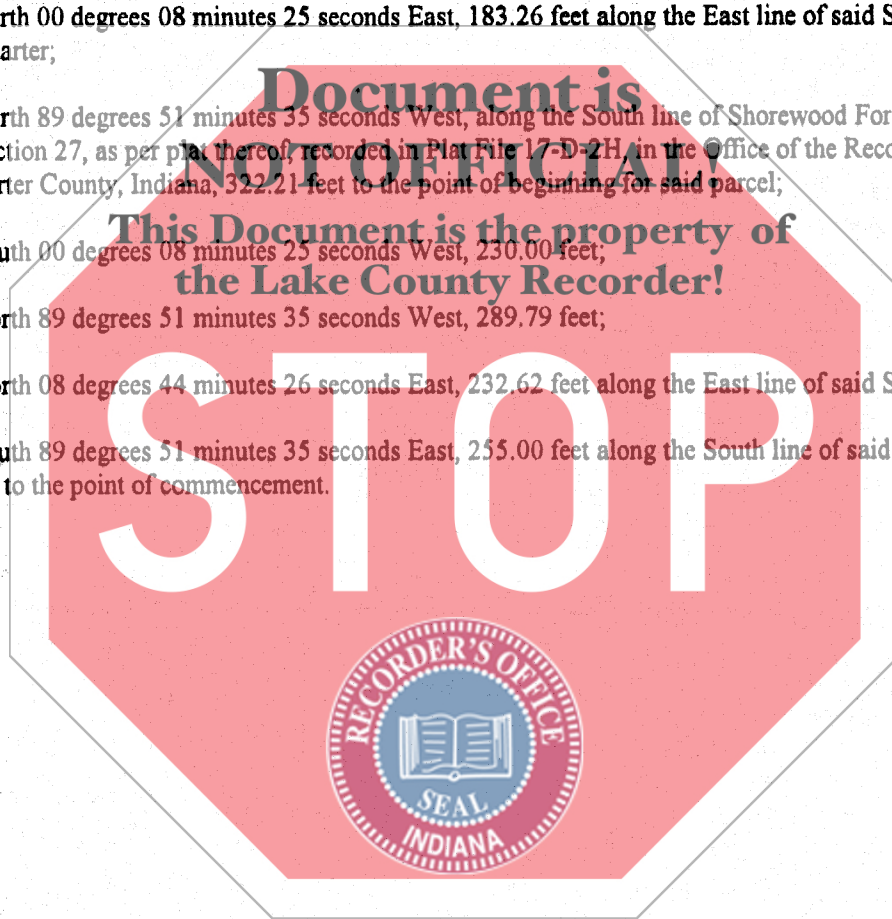
Thence: North 89 degrees 51 minutes 35 seconds West, along the South line of Shorewood Forest Section 27, as per plat thereof, recorded in Plat File 17-D-2H, in the Office of the Recorder of Porter County, Indiana, 322.21 feet to the point of beginning for said parcel;

Thence: South 00 degrees 08 minutes 25 seconds West, 230.00 feet;

Thence: North 89 degrees 51 minutes 35 seconds West, 289.79 feet;

Thence: North 08 degrees 44 minutes 26 seconds East, 232.62 feet along the East line of said Section 27;

Thence: South 89 degrees 51 minutes 35 seconds East, 255.00 feet along the South line of said Section 27 to the point of commencement.



PARCEL 2

Lot 340 in Block 15 in Third Addition to South Haven, as per plat thereof, recorded in Plat Book 3, page 18, in the Office of the Recorder of Porter County, Indiana, EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCELS:

EXCEPTION #1: The North 170 feet of the West 150 feet of said Lot 340.

EXCEPTION #2: A parcel of land being a part of Lot 340 in Block 15 in Third Addition to South Haven, as per plat thereof, recorded in Plat Book 3, page 18, in the Office of the Recorder of Porter County, Indiana, described as follows: Commencing at the Northernmost turning point of said Lot 340; thence South 69 degrees 00 minutes 00 seconds West, 28.28 feet; thence South 24 degrees 00 minutes 00 seconds West along the West line of said Lot 340, 150.00 feet to the point of beginning; thence South 66 degrees 00 minutes 00 seconds East parallel to the North line of said Lot 340, 84.43 feet to the point of curvature of a curve to the left having a radius of 1627.39 feet; thence along said curve and parallel to said North line, a chord bearing of South 67 degrees 09 minutes 16 seconds East, a chord length of 65.53 feet, and an arc length of 65.55 feet; thence South 66 degrees 00 minutes 00 seconds East, 25.00 feet; thence South 24 degrees 00 minutes 00 seconds West, 46.32 feet; thence South 66 degrees 00 minutes 00 seconds East, 115.00 feet; thence South 24 degrees 00 minutes 00 seconds West, 152.72 feet to the South line of said Lot 340; thence North 75 degrees 41 minutes 20 seconds West along said South line, 37.34 feet; thence continuing along said South line, North 66 degrees 00 minutes 00 seconds West, 253.19 feet to the West line of said Lot 340; thence North 24 degrees 00 minutes 00 seconds East along said West line, 204.00 feet to the point of beginning.

EXCEPTION #3: A portion of Lot 340 in Block 15 in the Third Addition to South Haven, as per plat thereof, recorded in Plat Book 3, page 18, in the Office of the Recorder of Porter County, Indiana, said portion being specifically described as follows: Commencing at the Southwest corner of Lot Numbered 355 in said Block 15 in Third Addition to South Haven; thence Westerly at right angles to the West line of said Lot 355, a distance of 15.00 feet; thence Northerly parallel to said West line of Lot 355, a distance of 116.34 feet; thence Easterly at right angles to said West line of Lot 355, a distance of 15.00 feet to the Northwest corner of said Lot 355; thence Southerly on and upon said West line of Lot 355, a distance of 116.34 feet to the place of commencement.

EXCEPTION #4: A parcel of land being part of Lot 340 in Block 15 in Third Addition to South Haven, as per plat thereof, recorded in Plat Book 3, page 18, in the Office of the Recorder of Porter County, Indiana, described as follows:

Beginning at the Northwest corner of Lot 380 in Block 17 in Third Addition to South Haven, as per plat thereof, recorded in Plat Book 3, page 18, in the Office of the Recorder of Porter County, Indiana; thence South 09 degrees 55 minutes 30 seconds West, 109.00 feet; thence North 75 degrees 41 minutes 20 seconds West, 233.48 feet; thence North 24 degrees 00 minutes 00 seconds East, 100.42 feet; thence South 75 degrees 21 minutes 20 seconds East, 208.60 feet to the Point of Beginning.

PARCEL 3

A parcel of land in the Southeast Quarter of Section 20, Township 36 North, Range 6 West of the Second Principal Meridian in Porter County, Indiana, said parcel described as follows (bearings based on the East line of said Southeast Quarter being South 00 degrees 00 minutes 00 seconds West assumed):

Commencing at a brass plug in concrete located at the Northeast corner of said Southeast Quarter; thence South 00 degrees 00 minutes 00 seconds West along the East line of said Quarter Section, 495.91 feet to a railroad spike at the Southeast corner of the North 495.87 feet of said Southeast Quarter, said point being the POINT OF BEGINNING; thence continuing South 00 degrees 00 minutes 00 seconds West along said East line, 350.00 feet to a railroad spike; thence North 90 degrees 00 minutes 00 seconds West, 37.96 feet to a 5/8" ϕ X 30" rod with PTGR identification cap on the West right-of-way line of State Road 149; thence continuing North 90 degrees 00 minutes 00 seconds West, 400.00 feet to a 5/8" ϕ X 30" rod with PTGR identification cap; thence North 00 degrees 00 minutes 00 seconds East parallel with said East line, 355.86 feet to a 5/8" ϕ X 30" rod with PTGR identification cap on the South line of the North 495.87 feet of said Southeast Quarter; thence South 89 degrees 13 minutes 58 seconds East along said South line, 400.43 feet to a 5/8" ϕ X 30" rod with PTGR identification cap on said West right-of-way line; thence continuing South 89 degrees 13 minutes 58 seconds East along said South line, 37.57 feet to the point of beginning.

