

MEMORANDUM OF LEASE

First Union National Bank
Spartan House Operations
P.O. Box 50010
Noblesville, IN 46022-9922

THIS MEMORANDUM OF LEASE, made and entered into, executed, and effective as of the 1st day of December, 1999, by and between WIP, L.L.C., an Indiana limited liability company, of 800 East 86th Avenue, Merrillville, Indiana 46411 (hereinafter called "Lessor"), and WHITE CASTLE SYSTEM, INC., a Delaware corporation, authorized to do business in the State of Indiana having its principal office located at 555 West Goodale Street, Columbus, Ohio 43215 (hereinafter called "Lessee").

WITNESSETH:

That Lessor, in consideration of the rents reserved, and the terms, covenants, conditions and agreements assumed on the part of Lessee, does hereby demise and lease unto Lessee a portion of the real estate commonly known as the Welsh Mart, located at the southwest corner of Cline Avenue and Guthrie Street in East Chicago, Indiana, and legally described on Exhibit "A," which is attached hereto and made a part hereof (hereinafter referred to the "Real Estate"). The portion of the Real Estate leased hereunder consists of approximately 1,652 square feet of space including all improvements situated thereon (hereinafter referred to as the "Demised Premises").

TO HAVE AND TO HOLD the Demised Premises for and during the term of five (5) years commencing on the date Lessee opens its restaurant for business (which date shall be no later than seventy (70) days from the date Lessor provides the Demised Premises to Lessee and all items set forth in Lessee's Task Review Sheet have been completed to Lessee's reasonable satisfaction), together with the option to Lessee to renew the term of this Lease for eight (8) five (5) year terms which shall be deemed exercised by Lessee unless within six (6) months prior to the end of the original term of this Lease, or any expiring renewal term, Lessee shall have given written notice to Lessor of its intention to terminate.

Any trade fixtures, decorations, equipment and appliances erected by Lessee on the Demised Premises shall be the exclusive property of Lessee and at any time during the term of this Lease, or any renewal or extension thereof; provided, Lessee is not in default, Lessee shall have the right to alter, remodel or remove all, or any part of, such trade fixtures, decorations, equipments and appliances.

In consideration of the demising and leasing of the Real Property, Lessee covenants and agrees to pay Lessor the rents, and both parties agree to the terms, covenants and conditions provided and contained in a certain collateral agreement between the parties hereto bearing even date herewith, detailing, implementing and controlling the provisions of this Memorandum of Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Lease of 2 pages the day and year first above written.

Witnesses as to Lessor:

John Howard
(PRINT NAME: John Howard)
Paul A. Sharkey
(PRINT NAME: Paul A. Sharkey)



Lessor:
WIP, LLC
By: *[Signature]* its Manager
By: *[Signature]*
John R. Howard, Executive Vice President
Suzanne W. Pulshine
President and Chief Operating Officer
Lessee:
WHITE CASTLE SYSTEM, INC.

Witnesses as to Lessee:

Patti A. Lambert
(PRINT NAME: Patti A. Lambert)
Julie A. Gerlach
(PRINT NAME: Julie A. Gerlach)

By: *William A. Blake*
William A. Blake, Vice President

ATTEST:

Patti A. Lambert
(PRINT NAME: Patti A. Lambert)
Julie A. Gerlach
(PRINT NAME: Julie A. Gerlach)

By: *G. Roger Post*
G. Roger Post, Secretary

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STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

On this 25th day of February 2000, before me came JOHN W. HOWARD, to me known to be the person who, as Executive Vice President, of WELSH, INC., the corporation described in and which executed the foregoing instrument, signed the same and acknowledged to me that he did so sign said instrument in the name of and on behalf of said corporation as such officer; that the same is his free act and deed as such officer and the free act and deed of said corporation; that he was duly authorized by the Board of Directors; and that the seal affixed to said instrument is the corporate seal of said corporation.

My Commission expires:

December 7, 2006
(SEAL)

Tracy R. Smith
Tracy R. Smith Notary Public

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NOT OFFICIAL!

This Document is the property of
the Lake County Recorder!

STATE OF OHIO)
) SS.
COUNTY OF FRANKLIN)

On this 22nd day of February, 2000, before me came WILLIAM A. BLAKE and G. ROGER POST, to me known to be the persons who, as Vice President and Secretary, respectively, of WHITE CASTLE SYSTEM, INC., the corporation described in and which executed the foregoing instrument, signed the same and acknowledged to me that they did so sign said instrument in the name of and on behalf of said corporation as such officers; that the same is their free act and deed as such officers and the free act and deed of said corporation; that they were duly authorized by the Board of Directors; and that the seal affixed to said instrument is the corporate seal of said corporation.

My Commission expires:

(SEAL)

Julie A. Gerlach
Julie A. Gerlach Notary Public
NOTARY PUBLIC STATE OF OHIO
My Commission Expires July 16, 2002

This instrument prepared by Arlene K. Alexander, Esquire, 555 W. Goodale St., Columbus, OH 43215.

LEGAL DESCRIPTION OF WIP, LLC PROPERTY

Lots 2, 3, 4, 5, 6, 7, 8, 9 and 12, and Lot 1, except that part described as follows: BEGINNING at the Northeast corner of said Lot 1; thence South 00 degrees 39 minutes 45 seconds East 18.91 feet along the East line of said Lot 1; thence North 27 degrees 33 minutes 03 seconds West 40.78 feet to the Northeastern line of said Lot; thence South 47 degrees 13 minutes 42 seconds East 25.40 feet along said line to the POINT OF BEGINNING; all in Block 4 in Inland Subdivision to East Chicago, as per plat thereof, recorded in Plat Book 18 page 1, in the Office of the Recorder of Lake County, Indiana.

Also, that part of vacated 140th Street, running Easterly and Westerly and lying West of and adjoining the West Right of Way line of Cline Avenue, in the City of East Chicago, in Lake County, Indiana, vacated by the City of East Chicago per Ordinance No. 0-97-0007 on August 19, 1997 and recorded in the Lake County Recorder's Office on August 29, 1997 as Document No. 97057416, more particularly described as follows:

BEGINNING at the intersection of the North Right of Way line of 140th Street and the West Right of Way line of Cline Avenue; thence Southerly along said West Right of Way line a distance of 46.76 feet; thence Westerly a distance of 142.72 feet to the West line of said vacated 140th Street; thence Northerly along the West line of said vacated 140th Street and parallel with said West Right of Way line of Cline Avenue a distance of 46.33 feet, to a point on the North Right of Way line of 140th Street; thence Easterly along said North Right of Way line a distance of 142.72 feet, to the POINT OF BEGINNING.

Trs/ls/worc/swmulshine/agree/white/eChicago/legal/11-30-99

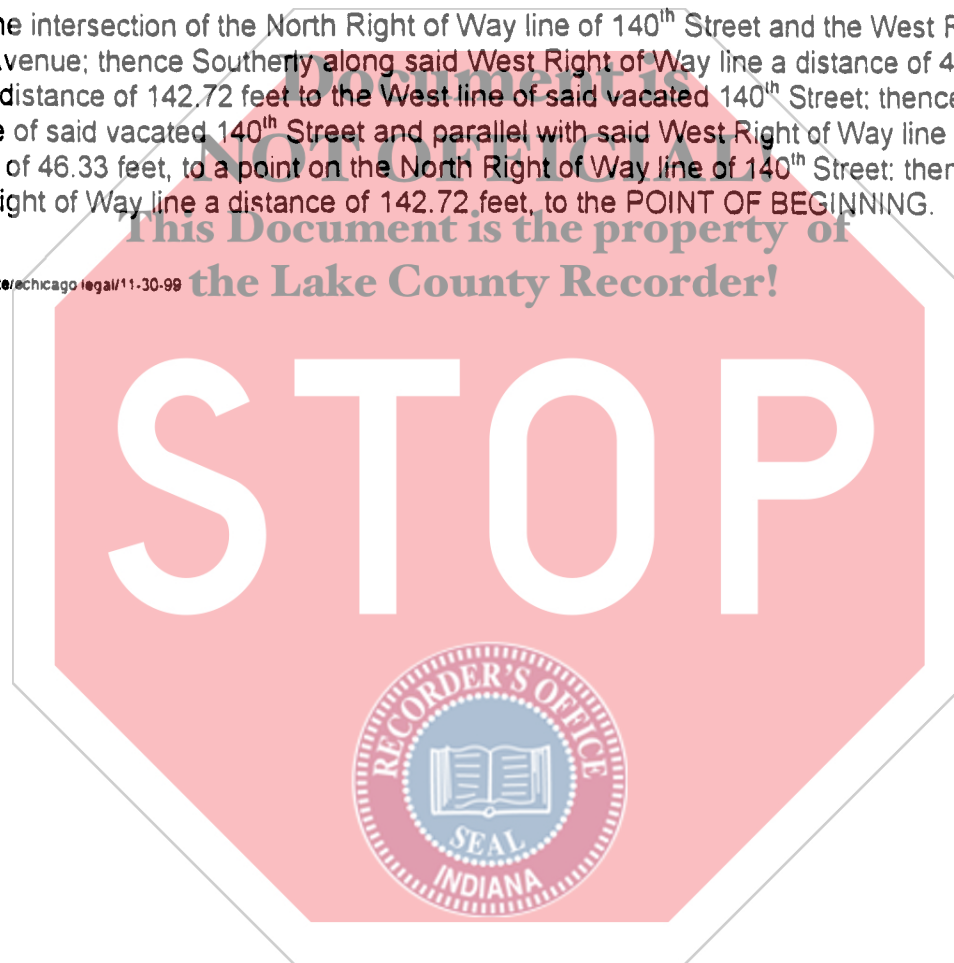


EXHIBIT "A"

EXHIBIT B

The Demised Premises leased to Lessee is approximately 1,652 square feet and will include stubbing of all utilities to Lessee's plans, finished concrete floor, finished ceiling, 5/8" drywall perimeter walls, two (2) drive openings, HVAC Systems and drive thru lane with concrete pad, all as depicted on the site plan drawing and load requirement sheets attached hereto.

