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Cook County Recorder 55.50

MAY 11, 1998

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THE UNDERSIGNED HEREBY STATES THE FOLLOWING:

AN AGREEMENT OF LEASE EXECUTED BY AND BETWEEN SOUTH CHICAGO PROPERTY MANAGEMENT COMPANY, LTD. AND RESERVE FTL, INC. U/S/A RESERVE MARINE TERMINALS DATED MARCH 30, 1998, LEASING THE FOLLOWING DESCRIBED PROPERTY:

18 Bot

THAT PART OF THE WEST 1/2 OF THE NORTHEAST 1/4 AND THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 19, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE EASTERLY CHANNEL LINE OF THE CALUMET RIVER, AS ESTABLISHED BY SURVEY OF THE UNITED STATES ENGINEER'S OFFICE WAR DEPARTMENT (AS SHOWN ON SHEET NO. 6 DATED MARCH 1939 AND SHEET NO. 7 DATED MARCH 1938) TITLED "CONTROL SURVEY CALUMET RIVER", BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 19; THENCE SOUTH 89 DEGREES 38 MINUTES 23 SECONDS WEST ALONG THE NORTH LINE OF SAID SECTION 19 (BASIS OF BEARINGS) 1528.48 FEET; THENCE SOUTH 00 DEGREES 43 MINUTES 42 SECONDS EAST 244.82 FEET ALONG A LINE 40 FEET WESTERLY FROM, MEASURED AT RIGHT ANGLES, AND PARALLEL WITH THE WEST RIGHT-OF-WAY LINE OF CONRAIL (FORMERLY THE SOUTH CHICAGO AND SOUTHERN RAILROAD) TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 00 DEGREES 43 MINUTES 42 SECONDS EAST 1038.20 FEET ALONG SAID LINE 40 FEET WESTERLY FROM, MEASURED AT RIGHT ANGLES, AND PARALLEL WITH THE PREVIOUSLY MENTIONED WEST RIGHT-OF-WAY LINE OF CONRAIL; THENCE SOUTH 89 DEGREES 38 MINUTES 23 SECONDS WEST 287.71 FEET ALONG THE NORTHERLY LINE OF REPUBLIC ENGINEERED STEELS, INC.; THENCE SOUTH 59 DEGREES 48 MINUTES 04 SECONDS WEST 1584.98 FEET ALONG THE NORTHWESTERLY LINE OF REPUBLIC ENGINEERED STEELS, INC.; THENCE NORTH 07 DEGREES 51 MINUTES 15 SECONDS WEST 641.95 FEET ALONG THE EASTERLY CHANNEL LINE OF THE CALUMET RIVER; THENCE NORTH 01 DEGREE 06 MINUTES 41 SECONDS EAST 569.35 FEET ALONG SAID EASTERLY CHANNEL LINE; THENCE NORTH 58 DEGREES 41 MINUTES 01 SECOND EAST 740.33 FEET; THENCE NORTH 13 DEGREES 32 MINUTES 22 SECONDS WEST 124.01 FEET; THENCE NORTH 61 DEGREES 50 MINUTES 14 SECONDS EAST 613.80 FEET; THENCE SOUTH 77 DEGREES 54 SECONDS 07 MINUTES EAST 165.31 FEET; THENCE SOUTH 24 DEGREES 08 MINUTES 50 SECONDS EAST 297.67 FEET; THENCE NORTH 63 DEGREES 56 MINUTES 50 SECONDS EAST 326.13 FEET TO THE POINT OF BEGINNING, CONTAINING 48.778 ACRES, MORE OR LESS, ALL IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NUMBERS: 26-19-201-018; 26-19-102-007; 26-19-102-019; 26-19-200-020; AND 26-19-200-022

WAS DELIVERED TO CHICAGO TITLE INSURANCE COMPANY FOR RECORDING ON OR ABOUT APRIL 27, 1998 SAID DOCUMENT WAS SUBSEQUENTLY LOST, MISPLACE OR DESTROYED. ATTACHED HERETO AS EXHIBIT 'A' IS A COPY OF SAID ORIGINAL DOCUMENT.

*Jodi L Henninger*  
CHICAGO TITLE INSURANCE COMPANY

BY: JODI L HENNINGER  
TITLE: ASSISTANT TITLE OFFICER

SUBSCRIBED AND SWORN BEFORE ME THIS 11 DAY OF MAY, 1998  
\_\_\_\_\_  
NOTARY PUBLIC

\*\*\*\*\*  
"OFFICIAL SEAL"  
JANET JOHNSON WEST  
Notary Public, State of Illinois  
My Commission Expires 3/12/01  
\*\*\*\*\*

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CLERK OF COURT  
JANET JOHNSON  
Cook County Clerk's Office

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## AGREEMENT OF LEASE

THIS AGREEMENT OF LEASE ("Lease") entered into in the City of Chicago, County of Cook and State of Illinois, this 30<sup>th</sup> day of May, 1998, effective the 1<sup>st</sup> day of May, 1998, by and between RESERVE FTL, INC., d.b.a. RESERVE MARINE TERMINALS, an Ohio Corporation, hereinafter referred to as "Lessee", and SOUTH CHICAGO PROPERTY MANAGEMENT COMPANY, LTD., an Ohio Limited Liability Company, hereinafter referred to as "Lessor".

### WITNESSETH:

#### 1. DEMISED PREMISES

Lessor does hereby lease unto the Lessee and Lessee does lease, hire and rent the premises, including all improvements thereon 48.778 acres containing a dock on the Calumet River and certain adjacent land (hereinafter referred to as the "Demised Premises"), located at 11600 S. Burley Avenue, Chicago, Illinois 60617, which is more fully described in Exhibit "A" attached hereto and made a part hereof as if fully rewritten herein. The Demised Premises includes all easements and licenses on such other properties that shall benefit the Demised Premises, and the Demised Premises is encumbered by certain easements and licenses. A listing of such easements and licenses is attached hereto as Exhibit "B" and such original recorded documents may be inspected at the office of Lessor upon reasonable advanced notice.

#### 2. TERM

The term of this Lease shall commence at the time hereinafter provided and shall continue for twenty-one (21) years, commencing on the 1<sup>st</sup> day of May, 1998 and terminating on the 30<sup>th</sup> day of December, 2019, unless otherwise extended as provided for below. Lessee is already occupying the Demised Premises pursuant to a lease with LTV Steel Company, Inc. ("LTV") and agrees to accept the Demised Premises in its present "as is" condition.

#### 3. RENT AND MANNER OF PAYMENT

(a) The Lessee hereby covenants and agrees to pay the Lessor as base rent for the Demised Premises during said term payable at the office of Lessor in advance upon the first day of every month during said term the sum of Thirteen Thousand Nine Hundred DOLLARS (\$13,900) per month.

(b) The Lessee hereby further covenants and agrees to pay Lessor as additional rent, the sum of FIFTEEN CENTS (\$0.15) for each net ton of commodities delivered or

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*Handwritten notes and signatures:*  
13,900  
15 cents

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unloaded on the Demised Premises which exceeds 750,000 tons per year. Such additional rent shall be calculated annually on the anniversary date of the effective date of this Lease Agreement and shall be paid to South Chicago within thirty (30) days of such anniversary date.

(c) It is specifically understood that this Lease is a triple net lease; accordingly, as additional rent, throughout the initial term and renewal term of this Lease, Lessee shall pay all costs for real estate taxes and assessments, insurance coverage on the Demised Premises, in accordance with the required insurance coverages as hereinafter set forth, plus the cost of maintaining and improving the Demised Premises, as hereinafter provided. Lessee covenants and agrees to pay as further additional rent the gross amount of any and all federal, state, local and municipal taxes assessed against the members of Lessor on account of their ownership interest in the Lessor. Lessee shall pay such additional rent within thirty (30) days of an invoice for the same.

4. OPTIONS TO EXTEND THE TERM

Provided Lessee is not in default hereunder either at the time of exercise or as of the date preceding the commencement date of the applicable extension period, Lessee shall have the right and option to extend the term of this Lease upon the terms and conditions hereinafter provided for two (2) additional periods of five (5) years by giving written notice to Lessor at least one hundred twenty (120) days prior to the expiration of the previous term of this Lease. In the event Lessee exercises its right to extend the term of this Lease for the renewal terms of five (5) years, the monthly rent payable during each such renewal term shall be negotiated by the parties in good faith given market rates for like property, but shall not be less than the previous term.

5. USE AND OCCUPANCY OF THE DEMISED PREMISES

Lessee covenants and agrees that the Demised Premises shall not be abandoned or left vacant, and further agrees as follows:

(a) Lessee shall use the Demised Premises solely and exclusively for the loading, unloading and storage of raw materials and commodities and other related Industrial Uses, as that term is normally defined and interpreted. Pursuant to Lessor's purchase agreement with LTV, certain uses will be specifically excluded and prohibited including, but not limited to: residential, recreational, retail, restaurant, hotel, marina, office and commercial development; the construction of an office building on the Demised Premises for Lessor's or Lessee's sole use and occupancy shall not be excluded.

(b) Lessee shall prevent the Demised Premises from being used in any way which will injure the reputation of the same or which may be a nuisance, or contrary to law or the rules or regulations of any public authority, including any environmental rule or regulation.

(c) Lessee shall keep the Demised Premises in a careful, safe and proper

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manner, and comply with the requirements of all policies of public liability, fire and other types of insurance at any time in force with respect to the Demised Premises and the improvements thereon.

(d) Lessee shall comply with and conform to all laws, statutes, ordinances, rules and regulations of any governmental, quasi-governmental or regulatory authority ("Laws") which relate to the transportation, storage, placement, handling, treatment, discharge, generation, production or disposal (collectively "Treatment") of any waste, waste products, radioactive waste, polychlorinated biphenyls, asbestos, hazardous materials of any kind, and any substance which is regulated by any law, statute, ordinance, rule or regulation (collectively "Hazardous Materials"). Lessee further covenants that it will not engage in or permit any party to engage in any treatment of any Hazardous Materials contrary to law on or which affect the Demised Premises.

Lessee hereby agrees that it will indemnify, defend, save and hold harmless Lessor and its respective heirs, successors, shareholders, directors, officers, employees, agents and assigns (collectively "Indemnified Parties") against and from, and to reimburse the Indemnified Parties with respect to any and all damages, claims, liabilities, loss, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses, court costs, administrative costs and costs of appeal) incurred by or asserted against the Indemnified Parties by reason of or arising out of: (i) the breach or any misrepresentation or undertaking of Lessee under this Section; or (ii) arising out of the treatment of any Hazardous Materials by Lessee or any subtenant, licensee, manager or other party occupying or using the Demised Premises, in or affecting the Demised Premises; or (iii) in the event of any spill of Hazardous Materials; or (iv) by reason of or arising out of this Lease or Lessee's occupancy of the Demised Premises; or (v) any mechanics lien or other liens or claims in connection with the making of any improvements on the Demised Premises.

## 6. REPAIRS AND MAINTENANCE

Lessee, at its own expense, shall keep and maintain the Demised Premises and any improvements thereon, in a sanitary, good and constant state of repair and condition, including, but in no way limited to, the maintenance, repair and replacement of the dock and any other improvements on the Demised Premises, and any and all obligations and/or requirements set forth in the easements and licenses set forth in Exhibit "B". All such repairs and replacements shall be in good quality and workmanship. Lessee shall at all times indemnify, protect and save harmless the Lessor against and from any loss, damage or expense arising out of or in connection with the repair or lack of repair of the Demised Premises, including any and all injuries to persons or property upon or about the Demised Premises, or any improvements thereon, in whatsoever manner the same be inflicted or caused. In the event that Lessee should fail to make any such repairs as are herein required of it, Lessor and its agents may (but shall not be obligated to) irrespective of any other remedies available to it, after written notice to Lessee and the failure by Lessee to comply within fifteen (15) days after receipt thereof, enter upon the Demised Premises for the purpose of making such repairs, and thereafter charge the Lessee for the cost and expense thereof. Lessee shall be solely responsible at its own cost and expense to remove any snow or ice from the Demised Premises.

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7. LESSOR'S LIABILITIES FOR REPAIRS, INJURIES, ETC.

Lessor shall not be liable for any repairs or replacements of any kind or nature whatsoever with respect to the Demised Premises or to any appurtenances thereof. All personal property belonging to Lessee or to any other person located in or about the Demised Premises shall be there at the sole risk of the Lessee or such other person, and Lessor shall not be liable for the theft or misappropriation thereof, or for any damage or injury thereto, or for damage or injury to Lessee or to other persons or to other property caused for any reason, or for any act, neglect or omission of Lessee in or about the Demised Premises. Lessee agrees to protect, indemnify and save harmless Lessor from all losses, costs or damages sustained by reason of any act or other occurrence causing injury to any person or property whomsoever or whatsoever arising from or relating to the Demised Premises during the term of this Lease.

8. IMPROVEMENTS AND ALTERATIONS

Lessee shall have the right at its sole cost and expense, to make improvements on the Demised Premises upon the written consent of Lessor, which consent shall not be unreasonably withheld or delayed. All construction shall be completed in a good and workmanlike and in a first class manner, in accordance with all applicable permits, authorizations, laws, ordinances, orders, regulations and requirements of all governmental authorities having jurisdiction over the Demised Premises. Lessee covenants not to permit any lien to be placed on the Demised Premises and shall indemnify, defend, save and hold harmless Lessor from and against, and to reimburse Lessor with respect to, any loss, costs or expense (including attorneys' fees and costs), arising out of such construction or improvements.

Lessee shall, at its sole costs and expense, cause to be installed within the Demised Premises all facilities necessary to supply the Demised Premises and the improvements thereon all water, storm sewer, sanitary sewer, gas, electric, telephone and other utility facilities and drainage facilities required in furtherance of Lessee's use of the Demised Premises. Lessee shall be solely responsible for and shall promptly pay all charges and expenses for all utilities installed, used or consumed on the Demised Premises. It is understood that the use by Lessee of the Demised Premises may require that the parties enter into contracts or agreements with local county, state or other governmental agencies or bodies or with public utilities with reference to storm sewer, sanitary sewer, gas, water, electric, telephone or other utility lines or connections, storm water management or easement agreements. Lessor agrees to execute such written contracts, agreements, easement agreements and consents as are reasonably required for Lessee's use of the Demised Premises.

All alterations and improvements made by Lessee shall become the property of Lessor and shall not be removed from the Demised Premises. All trade fixtures, equipment, furniture, furnishings and signs installed on the Demised Premises by Lessee and paid for by Lessee shall remain the property of Lessee and may be removed by Lessee, provided that any such items which are affixed to the Demised Premises and require severance may be removed only if Lessee repairs any damage caused by such removal and Lessee shall have fully performed all the covenants and

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agreements to be performed by Lessee under the provisions of this Lease. If Lessee fails to remove such items from the Demised Premises prior to the expiration or earlier termination of this Lease, all such trade fixtures, equipment, furniture, furnishings and signs shall, sixty (60) days after the termination of this Lease, become the property of Lessor unless Lessor elects to require the removal, in which case Lessee shall promptly remove such trade fixtures, equipment, furniture, furnishings and signs and restore the Demised Premises to their prior condition.

#### 9. TAXES, ASSESSMENTS AND OTHER CHARGES

Lessee hereby covenants and agrees to pay the appropriate municipal agencies promptly, as same becomes due and before any penalty is added thereto, all real estate taxes and assessments, both general and special, levies, impositions, water rents and sewer charges levied, assessed or imposed upon the Demised Premises, commencing with the first day of Lessee's possession and prorated therefrom and continuing for the entire term of this Lease and extension thereof. It is understood and agreed by the parties that no real estate tax, assessment, levy, imposition, water rent, sewer charge or any other tax or levy of any kind made or imposed against the Demised Premises for any period during the term of this Lease or any extensions thereof shall be the obligation of the Lessor. Lessee shall have the right and option to protest any such taxes, assessments, charges or levies, either in its own name or in the name of the Lessor, at Lessee's sole cost and expense, and Lessor hereby agrees to cooperate with Lessee at Lessee's expense in making any such protest. It is further understood and agreed that Lessee shall pay to Lessor at the termination of this Lease, the taxes and assessments, both general and special, which are a lien on the Demised Premises to the date of termination, but which are not then due and payable; provided, however, that Lessee shall not be liable for the payment of any tax or assessment for any period subsequent thereto. Should Lessee fail to pay any tax or special assessment when due and payable, Lessor may, if Lessor so desires, pay the same and the amount together with any penalties which Lessor may have paid, shall immediately become due and payable to Lessor as additional rent.

#### 10. UTILITIES AND SERVICES

During the term of this Lease, and any extensions thereof, Lessee shall pay, before delinquency, all charges or assessments for the telephone, water, sewer, gas, heat, electricity, power, refrigeration, garbage disposal, and any and all other utilities and services of whatever kind or nature which may be used for servicing in, on or upon the Demised Premises. Lessee further covenants and agrees to apply for all utility services in its own name and to pay any deposits required therefor.

#### 11. PUBLIC LIABILITY

Lessee agrees to provide and keep in force, during the term of this Lease and any extensions thereof, comprehensive general liability and property damage insurance to afford protections to the single limit of not less than Three Million Dollars (\$3,000,000.00). Such insurance shall provide that the same shall not be terminated, changed or modified except upon fifteen (15) days prior written notice to Lessor and to any mortgagee of Lessor and said insurance shall further name Lessor and any mortgagee(s) of Lessor as additional insured(s). A certificate of said insurance and

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(c) Lessor and Lessee hereby release each other, to the extent of its respective insurance coverage, from any and all liability for any loss or damage caused by fire or any of the extended coverage casualties, even if such fire or other casualty shall be brought about by the fault or negligence of the other party, or any persons claiming under it, provided, however, this release shall be in force and effect only in respect of loss or damage occurring during such time as policies of fire and extended coverage insurance shall contain a clause to the effect that his release shall not affect said policies, or the right to recover thereunder. Lessor and Lessee each agree that its respective fire and extended coverage insurance policies will include such a clause so long as the same is obtainable and is includable without extra cost, or if such extra cost is chargeable therefor, so long as the other party pays such extra cost. If extra cost is chargeable therefor, the party insured under said policy shall notify the other party thereof and of the amount thereof, and the other party, at its election, may pay the same but shall not be obligated to do so.

(b) Lessee, in its discretion, may carry and maintain contents insurance at Lessee's sole cost and expense; it being understood and agreed that, irrespective of whether or not Lessee carries such contents insurance, Lessee shall have no claim against Lessor with respect to any damage to contents or with respect to the proceeds of insurance payable to Lessor pursuant to paragraph (a) above.

(a) During the term of this Lease and any extensions thereof, Lessee also shall provided and maintain, at Lessee's sole cost and expense, fire, extended coverage and all other perils commonly referred to as "all risk" insurance covering the Demised Premises for the full replacement cost value so that the Demised Premises are insured against loss or damage by fire and all risks comprehended by such endorsements, including, without limitation, malicious mischief, not and vandalism, which insurance shall specifically include coverage for damage caused by a motor vehicle hitting or penetrating the Demised Premises. All such insurance shall name Lessor and any mortgagee of Lessor as additional named insureds. All sums payable under the aforesaid insurance on the Demised Premises shall be payable to and held and disbursed by Lessor. Provided Lessee is not in default of the terms and conditions of this Lease, Lessor shall use such proceeds to repair the Demised Premises, unless there is less than twelve (12) months remaining on the term of this Lease, and in such case, Lessee may repair at its sole discretion. Lessor shall hold Lessee harmless from any misuse of the insurance proceeds contrary to the terms of this Lease. Such insurance shall further provide that the same may not be canceled, terminated or modified unless the insurer gives Lessor and any mortgagee of whom the insurer has knowledge at least fifteen (15) days prior written notice thereof. A certificate of said insurance and all renewals thereof shall be provided by Lessee to Lessor.

## 12. INSURANCE

all renewals thereof shall be provided by Lessee to Lessor. In addition, Lessee hereby covenants and agrees to indemnify and save Lessor harmless from injury to or death of persons and/or loss or damage to property occasioned by, growing out of, or arising or resulting from Lessee's default hereunder or from any act or omission of Lessee, its agents, employees, or invitees.

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**13. DAMAGE OR DESTRUCTION BY FIRE OR OTHERWISE**

(a) Subject to subparagraph (c), below, if the Demised Premises, in whole or in part, shall be destroyed or injured by fire, the elements or any other cause so as to be unfit for occupancy, and such destruction or injury could reasonably be repaired within one hundred eighty (180) days from the happening of such destruction or injury then: (1) this Lease shall nevertheless continue; (2) Lessee shall not be released from any of its obligations hereunder; and (3) Provided there is adequate insurance and Lessee is not in Default of the terms and conditions of this Lease, Lessor agrees to promptly repair, rebuild and restore the Demised Premises at its sole cost and expense, in a manner and in accordance with plans and specifications for such repair, rebuilding or restoration approved by Lessee, which approval shall not unreasonably be withheld, so that the Demised Premises will again be in as good order and condition as the same were prior to the happening of any such event; provided, however, that the Lessor and Lessee may agree in writing that the property so damaged or destroyed need not be replaced and that this Lease be terminated, in which event Lessor shall be under no obligation to repair, rebuild or restore the same and this Lease shall be terminated effective as of the date of such damage or destruction.

(b) If the Demised Premises, in whole or in part, shall be damaged or injured, as described in subparagraph (a) above and such destruction or injury cannot reasonably be repaired within one hundred eighty (180) days from the happening thereof, then either party may, upon written notice given to the other within forty-five (45) days after such damage or injury, elect to terminate this Lease, as of the date of such damage or destruction.

(c) In case of any such damage or destruction occurring during the last twelve (12) calendar months of the initial term of this Lease or during the last twelve (12) calendar months of any extension of the term, to the extent of fifteen percent (15%) or more of the replacement cost of the Demised Premises, then, irrespective of the time necessary to repair the Demised Premises, Lessor, in its absolute discretion, may elect to terminate this lease of the date of the damage or destruction in lieu of repairing such damage, by giving notice of such election to Lessee, within forty-five (45) days after such damage or destruction.

**14. EMINENT DOMAIN**

(a) If all of the Demised Premises shall be taken under the exercise by any public authority of the power of eminent domain or by conveyance under threat thereof, then this Lease shall thereupon terminate, and Lessee shall have the right to pursue its claim based upon the damage to its leasehold interest, the value of its leasehold improvements and for relocation expenses.

(b) If title to or ownership of less than all of the Demised Premises, but more than twenty-five (25%) thereof, or any part of the building structure shall be taken under the exercise by any public authority of the power of eminent domain or by conveyance under

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threat thereof, and if the portion so taken shall be such as to make the continued use of the unaffected part by Lessee for the purposes of Lessee's business, in Lessee's judgment reasonably exercised, impossible or impracticable, then Lessee shall have the right within thirty (30) days of such taking to terminate this Lease, and any award or compensation arising from such taking shall belong to and be payable to Lessor except as above provided.

(c) In the event the portion of the Demised Premises so taken is not such as would permit Lessee to terminate this Lease as hereinbefore provided, or if Lessee elects not to so terminate this Lease although permitted to do so, then any part or portion of the Demised Premises so affected by such taking shall be eliminated from this Lease, and this Lease canceled and terminated with respect thereto, and any award or compensation arising from such taking in excess of the cost of restoring the remainder of the Demised Premises to a usable condition shall belong to and be payable to Lessor except as aforesaid. Upon removal of any such part of the Demised Premises from this Lease or the termination of this Lease with respect thereto, or upon any taking not resulting in the termination of this Lease as aforesaid, Lessor shall make such repairs to the Demised Premises as are reasonably necessary and Lessor and Lessee shall in good faith negotiate for a proper and equitable reduction in the base annual rent herein specified (provided, however, that the amount of gross sales before which Lessor begins to receive additional rent shall be reduced by a like percentage). In the event the parties are unable to agree upon the reduction in the base annual rent to be effected, or in the event that Lessor disagrees with Lessee's judgment as to whether or not the use of the Demised Premises for the purposes of Lessee's business is impossible or impractical, then the question shall be submitted to arbitration by a panel of three arbitrators under the rules of the American Arbitration Association, and both parties shall be bound by the decision of the arbitrators.

15. ACCESS TO DEMISED PREMISES

Lessor shall have the right to enter upon the Demised Premises at all reasonable times for making inspections and/or for any purpose whatsoever related to the safety, protection, preservation or improvement of the Demised Premises or of Lessor's interest; or for the purpose of offering the Demised Premises for sale or for the purpose of showing the Demised Premises to prospective tenants during the last one hundred twenty (120) days of the term of this Lease or any extension thereof.

16. ASSIGNMENT AND SUBLETTING

Except as hereinafter provided, Lessee may not, without having first obtained the written consent of Lessor, which consent shall not be unreasonably withheld, assign this Lease or sublet or underlet the Demised Premises or any part thereof. Lessee shall be permitted to sublease to a related warehousing business provided such business generates loading business as described in Section 3(b). Except as hereinafter provided, no assignment, subletting or underletting as to which Lessor has consented shall relieve the Lessee of any of Lessee's obligations in this Lease contained. Any purported assignment, subletting or underletting not in compliance herewith shall be void and of no force and effect.

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17. DEFAULT BY LESSEE

In the event that any installment of rent or other amount of money herein agreed to be paid by Lessee shall not be paid when due, time being of the essence, and shall continue in default for fifteen (15) days after written notice thereof by Lessor, or in the event Lessee shall at any time be in default in the observance or performance of any of its other covenants and agreements devolving upon it hereunder, time being of the essence, and such default shall continue for a period of thirty (30) days after written notice to Lessee of such default (or if by reason of the nature of such default it cannot be corrected within said thirty (30) days, then if Lessee shall not promptly commence to correct such default within said thirty (30) day period and thereafter diligently prosecute the correction of the same), or if a temporary or permanent receiver or trustee of Lessee or its property be appointed by any court and such receiver shall not be removed in sixty (60) days, or if Lessee shall make a general assignment for the benefit of creditors, or if the property of Lessee shall be offered for sale pursuant to any execution, attachment or other legal proceedings, as the result of which the premises might be taken or occupied by someone other than Lessee, or if the premises shall be abandoned or vacated, or if Lessee shall file a voluntary petition in bankruptcy, court reorganization or shall consent in writing to an involuntary petition of a similar nature, or an involuntary petition shall be filed seeking reorganization of or an arrangement for the Lessee, then, and in any one or more of such events, Lessor shall be entitled, at its election, to exercise, concurrently or successively, any one or more of the following rights and remedies:

(a) To pay any sum required to be paid by Lessee to others than the Lessor and to perform any obligation required to be performed by the Lessee, for the account of the Lessee, and the amount paid by the Lessor, with interest thereon at the rate of ten percent (10%) per annum, and all expenses connected therewith shall be repaid by the Lessee to the Lessor on demand.

(b) To bring suit for the collection of the rent, then due or accelerated, or other amounts for which Lessee may be in default, or for the performance of any other covenant or agreement devolving upon Lessee, or damages therefor, all without entering into possession or terminating this Lease.

(c) To re-enter the premises, by summary proceedings or otherwise, and take possession thereof, without thereby terminating this Lease, and thereupon, Lessor may expel all persons and remove all property therefrom, either peaceably or by force, without becoming liable to prosecution therefor, and relet the premises for such periods and upon such terms according to Lessor's sole discretion, and receive the rent therefrom, applying the same first to the payment of the reasonable expenses of such re-entry and the cost of such reletting, and then to the payment of the rental accruing hereunder, the balance, if any, to be paid to Lessee who, whether or not the premises are relet, shall remain liable for any deficiency, which may be recovered by Lessor periodically upon the successive days upon which the rent hereunder is payable. It is agreed that the commencement and prosecution of any action by Lessor in forcible entry and detainer, ejectment or otherwise, or the appointment of a receiver, or any execution of any decree obtained in any action to recover

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possession of the premises, or any re-entry, shall not be construed as an election to terminate this Lease unless Lessor shall, in writing, expressly exercise its election to terminate this Lease and declare the term hereunder ended, and, unless this Lease be expressly terminated, such re-entry or entry by Lessor, whether had or taken under summary proceedings or otherwise, shall not be deemed to have absolved or discharged Lessee from any of its obligations and liabilities for the remainder of the term of this Lease.

(d) To terminate this Lease, re-enter the premises and take possession thereof, and thereafter be wholly discharged from this Lease.

In the event Lessor shall elect to terminate this Lease as aforesaid, all rights and obligations of Lessor shall cease and determine except that Lessor shall have and retain full right to sue for and collect all rents and other amounts for the payment of which Lessee shall then be in default, including damages to Lessor by reason of such breach and Lessee shall surrender and deliver up the premises to Lessor, together with all improvements and additions thereto, and upon any default by Lessee in so doing Lessor shall have the right to recover possession by summary proceedings or otherwise and to apply for the appointment of a receiver and for other ancillary relief in such action, provided that Lessee shall have three (3) days notice after such application may have been filed and before any hearing thereon, and Lessor shall again have and enjoy the premises fully and completely as if this Lease had never been made. Lessee hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Lessee being evicted or dispossessed for any cause, or in the event of Lessor's obtaining possession of the premises by reason of the breach or violation by Lessee of any of the covenants and conditions in this Lease contained or otherwise.

Lessor shall, in the event of default, in addition to the rights set forth in (a), (b), (c) or (d) above, be entitled to all attorneys' fees in connection with enforcing its rights and collecting monies under this Lease, and have the right to place a lien for all rentals and other sums of money becoming due hereunder from Lessee, upon all goods, wares, equipment, fixtures, furniture and all personal property situated on the Demised Premises, and such property shall not be removed therefrom without the consent of Lessor until all arrearages and rent and other sums of money then due to Lessor hereunder shall first have been paid. Lessor, at any time (whether or not default has occurred), may require Lessee to execute any and all documents acknowledging such lien, including, but not limited to, any UCC financing statements. If Lessee within five (5) days after submission of any such document fails to execute the same, Lessor is hereby authorized to execute the same as attorney-in-fact for Lessee. Upon the occurrence of an event of default by Lessee, Lessor may, in addition to any other remedies provided herein or by law, enter upon the Demised Premises and take possession of any and all goods, wares, equipment, fixtures, furniture, and all personal property situated on the Demised Premises without liability for trespass or conversion, and sell the same with or without notice, at a public or private sale, with or without having such property at the sale, at which Lessor or its assigns may purchase, and apply the proceeds thereof, less any and all expenses connected with the taking of possession and sale of the property, as a credit against any sums due by Lessee to Lessor. Any surplus shall be paid to Lessee, and Lessee agrees to pay any deficiency forthwith. Alternatively, the lien hereby granted may be foreclosed in

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the manner provided by law for foreclosure of chattel mortgages or in any other form provided by law. Any statutory lien for rent is not hereby waived, the express contractual lien herein granted being an addition and supplementary thereto.

If Lessee shall at any time during the term hereof be adjudicated a bankrupt, then this Lease shall automatically terminate and Lessor shall be entitled to receive all rent and other amounts due from Lessee under this Lease and accrued to the date of the adjudication and, in addition, the amount of the difference between the rent payable under this Lease and the then fair rental value of the premises, together with the appurtenances thereof, for such period after the adjudication as shall be allowable under any then existing statutes of the State of Ohio or of the United States of America.

18. QUIET ENJOYMENT AND POSSESSION

Lessor hereby covenants and agrees with Lessee that if Lessee shall perform all of the covenants and agreements herein agreed to be performed on its part, the said Lessee shall, at all times during the term hereof, have the peaceable and quiet enjoyment and possession of the Demised Premises, subject, however, to any rights of condemnation or appropriation in any competent authority.

19. HOLDING OVER

Should the Lessee remain in possession of the Demised Premises after the date of the expiration or earlier termination of this Lease, or any extension thereof duly exercised, then, unless a new agreement in writing shall have been entered into between the parties hereto, Lessee's occupancy shall be deemed a month-to-month tenancy, and such tenancy shall be otherwise subject to all the covenants and conditions of this Lease, except that the rent and other charges payable for such period shall be at a minimum rental of 150% of the last monthly rent payment of the term per month (to be paid in advance).

20. REMEDIES CUMULATIVE; NO WAIVER OR FORBEARANCE

Except as herein provided to the contrary, no right or remedy herein conferred upon or reserved to either party is intended to be exclusive of any other right or remedy available to such party and each and every right and remedy given hereunder or now or hereafter existing at law or in equity or by statute. Except to the extent that either party may have otherwise agreed in writing, no waiver by such party of any violation or nonperformance by the other party of any of its obligations, agreements, or covenants hereunder shall be deemed to be a waiver of any subsequent violation or nonperformance of the same or any other covenant, agreement or obligation, nor shall any forbearance by either party to exercise a remedy for any such violation or nonperformance by the other party be deemed a waiver by such party of its rights or remedies with respect to such violation or nonperformance.

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## 21. NOTICES

Any notice or consent permitted or required to be given by or on behalf of either party to the other shall be given by mailing such notice or consent by registered or certified mail, postpaid, if to Lessor at 4431 West 130<sup>th</sup> Street, Cleveland, Ohio 44135, or such other address as may be specified from time to time in writing delivered to Lessee; or if to Lessee, addressed to 12701 S. Doty Avenue, Chicago, Illinois 60633, or such address as may be specified from time to time in writing delivered to Lessor. Any such notice or consent shall be deemed to have been given on the date on which such notice or consent is so posted.

## 22. SURRENDER OF DEMISED PREMISES

On termination of this Lease and upon written request by Lessor, Lessee shall surrender possession of the Demised Premises in their original condition, reasonable wear and tear, damage from elements, fire, acts of God or other insured casualty excepted. All equipment of the Lessee shall remain the property of the Lessee and shall be removed at Lessee's cost and expense prior to the expiration or earlier termination of this Lease; provided, however, that Lessee shall not be in default hereunder and provided further that Lessee, at its sole cost and expense, shall repair any and all damage to the Demised Premises arising from or relating to such removal.

## 23. SHORT-FORM LEASE

It is agreed by the parties that this Lease shall not be recorded, but a so-called "Short Form Lease" of even date herewith describing the Demised Premises, the names of the parties, the original term and extension rights, and referring to this Lease, may be executed by the parties and may be recorded by either party at any time after the commencement of the term of this Lease.

## 24. SUBORDINATION AND NONDISTURBANCE

The Lease shall be automatically subject and subordinate to the lien of any mortgage(s) which Lessor may place upon the Demised Premises and to all terms, conditions and provisions thereof to all advances made, and to any renewals, extensions, modifications or replacements thereof; provided, however, that if the Lease is in full force and effect and there are no defaults hereunder on the part of Lessee, the right of possession of Lessee to the Demised Premises and Lessee's rights arising out of this Lease shall not be affected or disturbed by the mortgage(s) in the exercise of any of its or their rights under the mortgage(s) or the note(s) secured thereby. In the event that the mortgagee(s) acquire title to the Demised Premises pursuant to the exercise of any remedy provided for in the mortgage(s), this Lease shall not be terminated or affected by said foreclosure or sale under any such proceeding. Lessee agrees to attorn to the mortgagee(s) and such persons acquiring title from or through the mortgagee(s) as its new Lessor and the Lease shall continue in full force and effect as a direct lease between Lessee and the mortgagee(s) or such other person upon all the terms, covenants and agreements set forth in the Lease. Lessor agrees to secure a "Nondisturbance Agreement" from any mortgagee of Lessor whose mortgage lien is superior to the leasehold interest of Lessee hereunder.

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If requested by Lessor or any mortgagee, the Lessee hereto agrees to execute such reasonable documents as may be necessary to effectuate the within subordination. If Lessee, within five (5) days after submission of any such documents, fails to execute the same, Lessor is hereby authorized to execute the same as attorney-in-fact for Lessee.

25. INVALIDITY OF PARTICULAR PROVISION

If any term or provision of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, then the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Lease shall be valid and be in force to the fullest extent permitted by law.

26. ALTERATIONS AND AMENDMENTS

No alteration or amendment of any provision of this Lease shall be valid or of any effect unless in writing and signed by Lessor and Lessee.

27. PARAGRAPH HEADINGS

The paragraph headings in this Lease are inserted herein for the purpose of convenience only and are not part of or to be used in construing or interpreting this Lease.

28. MISCELLANEOUS PROVISIONS

(a) Accord and Satisfaction. No payment by Lessee or receipt by Lessor of a lesser amount than the rent and other charges herein stipulated shall be deemed to be other than on account of the earlier stipulated rent and other charges, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent or other charge be deemed an accord and satisfaction, and Lessor may accept such check or payment without prejudice to Lessor's right to recover the balance of such rent and other charges or pursue any other remedy provided for in this Lease or available at law or in equity.

(b) No Partnership. Lessor is not and shall not be considered by virtue of this Lease, in any way or for any purpose, a partner of Lessee in the conduct of its business, or otherwise, or joint venturer or a member of a joint enterprise with Lessee.

(c) No Option. The submission of this Lease for examination does not constitute a reservation of or option for the Demised Premises, and shall vest no right in either party. This Lease becomes effective as a lease only upon execution and delivery thereof by the parties hereto.

(d) Net Lease. It is the intention of the Lessor and the Lessee that the rent herein specified shall be net to Lessor in each year during the term of this Lease and any extension thereof, and that all costs, expenses and obligations of every kind relating to the

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Demised Premises (except as otherwise specifically provided in this Lease) which may arise or become due during the term of this Lease and any extension thereof, shall be paid by Lessee and that Lessor shall be indemnified by Lessee against such costs, expenses and obligations.

(e) Uncontrollable Delay. In the event that Lessor or Lessee shall be delayed, hindered in, or prevented from the performance of any act (other than the payment of rent by Lessee) required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, the act, failure to act or default of the other party, war or other reason beyond their control, then performance of such act (other than the payment of rent by Lessee) shall be extended for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

(f) Complete Agreement. This writing contains the entire agreement between the parties hereto, and no agents, representative, salesman or officer of Lessor or Lessee has authority to make or has made any statement, agreement or representation, either oral or written, in connection herewith, modifying, adding or changing the terms and conditions herein set forth. No dealings between the parties or custom shall be permitted to contradict or modify the terms hereof. No modification of this Lease shall be binding unless such modification shall be in writing and signed by the parties hereto. **FOR ALL PURPOSES UNDER THE TERMS OF THIS LEASE, TIME SHALL BE OF THE ESSENCE.**

(g) Assignment by Lessor. Lessor shall have the right to assign or transfer this Lease and Lessor's obligations hereunder without the consent of Lessee, and if Lessor's transferee or assignee assumes the obligations of Lessor hereunder, then from and after the date of transfer or assignment, Lessor shall be released and relieved of all further obligations or liability hereunder.

## 29. ESTOPPEL CERTIFICATES

At any time, and from time to time, Lessee agrees, upon request in writing from the Lessor, to execute, acknowledge and deliver to the Lessor, or to any person designated by the Lessor, a statement in writing certifying that the Lease is unmodified, and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), that the Lessor is not in default in the performance of its covenants hereunder (or if there are such defaults, specifying the same), and the dates to which the rent and other charges have been paid. If Lessee, within five (5) days after submission of any such documents, fails to execute the same, Lessor is hereby authorized to execute the same as attorney-in-fact for Lessee.

## 30. INTERPRETATION

The terms and conditions of this Lease shall be interpreted and enforced in accordance with the laws of the State of Ohio.

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IN WITNESS WHEREOF, the Lessor and Lessee have duly executed this Agreement as of the day and year first above written.

Signed in the presence of:

"Lessee"

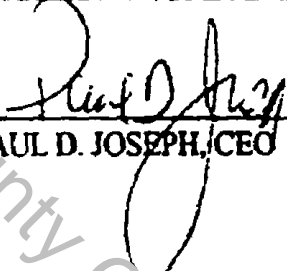
RESERVE FTL, INC., d.b.a.  
RESERVE MARINE TERMINALS

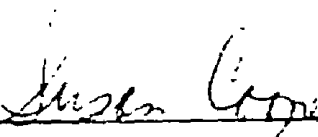
By:   
STEVEN C. JOSEPH, President

  
\_\_\_\_\_

"Lessor"

SOUTH CHICAGO PROPERTY  
MANAGEMENT COMPANY, LTD.

By:   
PAUL D. JOSEPH, CEO

  
\_\_\_\_\_

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STATE OF OHIO :  
 : SS.  
COUNTY OF CUYAHOGA :

BEFORE ME, a Notary Public, in and for said County and State, personally appeared the above-named, RESERVE FTL, INC., d.b.a. RESERVE MARINE TERMINALS, by STEVEN C. JOSEPH, its President, who acknowledged that he did sign the foregoing instrument and that the same is his free act and deed and the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Cleveland, Ohio, this 31<sup>st</sup> day of March, 1998.

Susan Cooper  
NOTARY PUBLIC

**SUSAN COOPER**  
Notary Public, State of Ohio  
My Commission Expires Mar. 27, 2000

STATE OF OHIO :  
 : SS.  
COUNTY OF CUYAHOGA :

BEFORE ME, a Notary Public, in and for said County and State, personally appeared the above-named SOUTH CHICAGO PROPERTY MANAGEMENT COMPANY, LTD., by PAUL D. JOSEPH, its CEO, who acknowledged that he did sign the foregoing instrument and that the same is his free act and deed and the free act and deed of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Cleveland, Ohio, this 31<sup>st</sup> day of March, 1998.

Susan Cooper  
NOTARY PUBLIC

**SUSAN COOPER**  
Notary Public, State of Ohio  
My Commission Expires Mar. 27, 2000

**This Instrument Prepared By:** Gregg S. Levy  
GREGG S. LEVY, ESQ.  
Dinn, Hochman & Potter, P.L.L.  
5885 Landerbrook Drive, Suite 205  
Mayfield Heights, Ohio 44124  
(440) 446-1100

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## LEGAL DESCRIPTION

THAT PART OF THE WEST 1/2 OF THE NORTHEAST 1/4 AND THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 19, TOWNSHIP 37 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE EASTERLY CHANNEL LINE OF THE CALUMET RIVER, AS ESTABLISHED BY SURVEY OF THE UNITED STATES ENGINEER'S OFFICE WAR DEPARTMENT (AS SHOWN ON SHEET NO. 6 DATED MARCH 1939 AND SHEET NO. 7 DATED MARCH 1938) TITLED "CONTROL SURVEY CALUMET RIVER", BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 19; THENCE SOUTH 89 DEGREES 38 MINUTES 23 SECONDS WEST ALONG THE NORTH LINE OF SAID SECTION 19 (BASIS OF BEARINGS) 1508.48 FEET; THENCE SOUTH 00 DEGREES 43 MINUTES 42 SECONDS EAST 244.82 FEET ALONG A LINE 40 FEET WESTERLY FROM, MEASURED AT RIGHT ANGLES, AND PARALLEL WITH THE WEST RIGHT-OF-WAY LINE OF CONRAIL (FORMERLY THE SOUTH CHICAGO AND SOUTHERN RAILROAD) TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 00 DEGREES 43 MINUTES 42 SECONDS EAST 1038.20 FEET ALONG SAID LINE 40 FEET WESTERLY FROM, MEASURED AT RIGHT ANGLES, AND PARALLEL WITH THE PREVIOUSLY MENTIONED WEST RIGHT-OF-WAY LINE OF CONRAIL; THENCE SOUTH 89 DEGREES 38 MINUTES 23 SECONDS WEST 287.71 FEET ALONG THE NORTHERLY LINE OF REPUBLIC ENGINEERED STEELS, INC.; THENCE SOUTH 59 DEGREES 48 MINUTES 04 SECONDS WEST 1584.98 FEET ALONG THE NORTHWESTERLY LINE OF REPUBLIC ENGINEERED STEELS, INC.; THENCE NORTH 07 DEGREES 51 MINUTES 15 SECONDS WEST 641.95 FEET ALONG THE EASTERLY CHANNEL LINE OF THE CALUMET RIVER; THENCE NORTH 01 DEGREE 06 MINUTES 41 SECONDS EAST 569.35 FEET ALONG SAID EASTERLY CHANNEL LINE; THENCE NORTH 58 DEGREES 11 MINUTES 01 SECOND EAST 740.33 FEET; THENCE NORTH 13 DEGREES 32 MINUTES 22 SECONDS WEST 124.01 FEET; THENCE NORTH 61 DEGREES 50 MINUTES 14 SECONDS EAST 613.80 FEET; THENCE SOUTH 77 DEGREES 54 SECONDS 07 MINUTES EAST 165.39 FEET; THENCE SOUTH 24 DEGREES 08 MINUTES 50 SECONDS EAST 297.67 FEET; THENCE NORTH 63 DEGREES 56 MINUTES 50 SECONDS EAST 326.13 FEET TO THE POINT OF BEGINNING, CONTAINING 48.778 ACRES, MORE OR LESS. ALL IN COOK COUNTY, ILLINOIS.

## PERMANENT REAL ESTATE INDEX NUMBERS:

26-19-201-018  
 26-19-102-007  
 Portion of 26-19-102-019  
 Portion of 26-19-200-02  
 Portion of 26-19-200-022

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