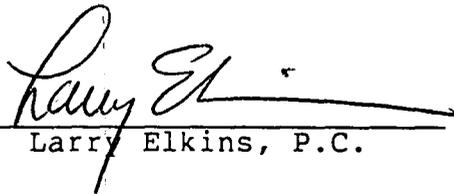


CHAPMAN AND CUTLER

Memorandum of Lease evidencing Lease Agreement each dated as of September 15, 1988 between Citicorp Leasing, Inc., 601 Midland Avenue, Rye, New York 10580 and Granite Rock Company, 411 Walker Street, Watsonville, California 95706 covering 40 open top hopper cars.

Very truly yours,

CHAPMAN AND CUTLER

By 
Larry Elkins, P.C.

LE/lck
Enclosure

EXHIBIT A
EQUIPMENT DESCRIPTION AND SCHEDULE OF RAILROAD CARS LEASED BY
GRANITE ROCK COMPANY FROM CITICORP LEASING INC.

Forty (40) 100 Ton, 2300 Cubic Foot, Two Pocket Open Top Hopper Cars Built in
1979 by Greenville Steel Car. Co. specifically numbered as follows:

KGCX	1800	KGCX	1830
	1801		1832
	1802		1834
	1803		1835
	1804		1837
	1805		1838
	1806		1840
	1808		1841
	1809		1842
	1811		1843
	1814		1844
	1815		1845
	1816		1847
	1819		1849
	1821		1852
	1823		1854
	1825		1855
	1826		1857
	1828		1858
	1829		1859

NEW CAR NUMBERS:

GRCX	1800	GRCX	1830
	1801		1832
	1802		1834
	1803		1835
	1804		1837
	1805		1838
	1806		1840
	1808		1841
	1809		1842
	1811		1843
	1814		1844
	1815		1845
	1816		1847
	1819		1849
	1821		1852
	1823		1854
	1825		1855
	1826		1857
	1828		1858
	1829		1859

Interstate Commerce Commission
Washington, D.C. 20423

11/1/88

OFFICE OF THE SECRETARY

Larry Elkins Esq.
Chapman & Cutler
111 West Monroe St.
Chicago, Illinois 60603

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/31/88 at 2:20pm, and assigned recordation number(s). 16000

Sincerely yours,

Narta R. McGee
Secretary

Enclosure(s)

1 6000

OCT 31 1988-2 20 PM

INTERSTATE COMMERCE COMMISSION

Memorandum of Lease Agreement for forty (40) Open Top Hopper cars ("Lease Agreement") made and entered into as of September 15, 1988 by and between Granite Rock Company, a California corporation, ("Lessee"), and Citicorp Leasing Inc., a Delaware corporation, ("Lessor").

WITNESSETH:

1. Lessor has agreed to furnish to Lessee, and the Lessee has agreed to lease from Lessor forty (40) open top hopper cars bearing the railroad reporting markings set forth on Exhibit A.
2. The Lease Agreement shall be effective as of the date first set forth hereinabove and shall be subject to the Lease Term, as defined in the Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

GRANITE ROCK COMPANY

BY: 

CITICORP LEASING, INC.

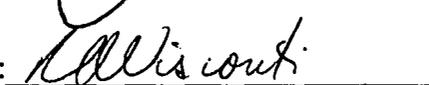
BY: 

EXHIBIT A
EQUIPMENT DESCRIPTION AND SCHEDULE OF RAILROAD CARS LEASED BY
GRANITE ROCK COMPANY FROM CITICORP LEASING INC.

Forty (40) 100 Ton, 2300 Cubic Foot, Two Pocket Open Top Hopper Cars Built in 1979 by Greenville Steel Car. Co. specifically numbered as follows:

KG CX	1800	KG CX	1830
	1801		1832
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	1804		1837
	1805		1838
	1806		1840
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	1825		1855
	1826		1857
	1828		1858
	1829		1859

STATE OF CALIFORNIA

COUNTY OF SANTA CRUZ

On this 5th day of Oct, 1988, before me personally appeared Raymond E. Johnson, to me personally known, who being by me duly sworn, says that he is the Vice President of Granite Rock Company, that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of said instrument was his free act and deed.



Mary E. Edgley
NOTARY PUBLIC

My commission expires: July 17, 1992

STATE OF New York

COUNTY OF Westchester

On this 3rd day of October, 1988, before me personally appeared Robert A. Visconti, to me personally known, who being by me duly sworn, says that he is the Vice President of Citicorp Leasing, Inc., that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of said instrument was his free act and deed.

Robert R. Goldberg
NOTARY PUBLIC
ROBERT R. GOLDBERG
Notary Public, State of New York
No. 4690571
Qualified in Westchester County
Commission Expires November 30, 1989

My commission expires:

11/30/89