

HELM

FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111
415/398-4510 FAX 415/398-4816

August 5, 1998

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

RECORDATION NO. 21574 FILED

AUG 10 '98

11-19 AM

Dear Mr. Williams:

Enclosed are two (2) originals of the Memorandum of the Net Lease Agreement dated as of June 11, 1998 between the following parties:

Lessor: Helm Financial Corporation
One Embarcadero Center, Suite 3700
San Francisco, CA 94111

Lessee: Strata Corporation
728 Red Dot Place
Grand Forks, ND 58208-3500

The equipment involved in this transaction is as follows:

Equipment: See attached Schedule A.

Please file this memorandum as a primary document and return one (1) stamped original to my attention. A check covering the filing fee of twenty-six dollars (\$26.00) is enclosed.

Sincerely,



Alison Drain
Document Administrator

/ad
Enclosures (2)

AUG 10 '98

11-19 AM

MEMORANDUM OF
NET LEASE AGREEMENT

THIS MEMORANDUM OF NET LEASE AGREEMENT ("Memorandum") is made as of June 11, 1998 and is intended to evidence that certain Net Lease Agreement dated as of June 11, 1998 ("Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and STRATA CORPORATION, a North Dakota corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation under Section 49 of U.S.C. 11301. Lessor has the right to lease the rail equipment, more fully described in Schedule A hereto ("Units"). Lessee leased from Lessor the Units at the Rent and upon the terms and conditions provided in the Lease.

The Lease and the Units cannot be assigned, subleased or in any way encumbered without the prior written consent of Lessor. Lessee has granted a security interest unto Lessor in and to any and all Payments, as such term is defined in the Lease, including, without limitation, any and all Rent and other Payments pursuant to any sublease of the Units. In the Event of Default, as such term is defined in the Lease, Lessee assigns any and all subleases to Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representative as of the day and year first above written.

LESSOR

HELM FINANCIAL CORPORATION

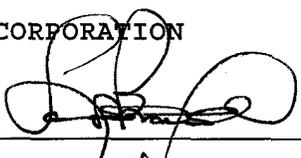
By: 

Print Name: Richard C. Kirchner

Its: President

LESSEE

STRATA CORPORATION

By: 

Print Name: James R. Bradshaw

Its: President

am

SCHEDULE A

**TO THE MEMORANDUM OF
NET LEASE AGREEMENT**

I. Units Inspected at Sayre, PA:

1	HLMX	35101	16	HLMX	35144	31	HLMX	35173
2	HLMX	35161	17	HLMX	35147	32	HLMX	35174
3	HLMX	35122	18	HLMX	35149	33	HLMX	35175
4	HLMX	35125	19	HLMX	35153	34	HLMX	35176
5	HLMX	35127	20	HLMX	35154	35	HLMX	35177
6	HLMX	35129	21	HLMX	35156	36	HLMX	35516
7	HLMX	35130	22	HLMX	35157	37	HLMX	35514
8	HLMX	35132	23	HLMX	35160			
9	HLMX	35133	24	HLMX	35163			
10	HLMX	35136	25	HLMX	35165			
11	HLMX	35139	26	HLMX	35167			
12	HLMX	35140	27	HLMX	35168			
13	HLMX	35141	28	HLMX	35169			
14	HLMX	35142	29	HLMX	35170			
15	HLMX	35143	30	HLMX	35172			

II. Units inspected at Williamsport, PA

1	HLMX	504001
2	HLMX	504002
3	HLMX	504003
4	HLMX	504004
5	HLMX	504006
6	HLMX	504008
7	HLMX	504009
8	HLMX	504011
9	HLMX	504012
10	HLMX	504013
11	HLMX	504014
12	HLMX	504015
13	HLMX	504016

III. Unit inspected at Joilet, IL

1	HLMX	504005
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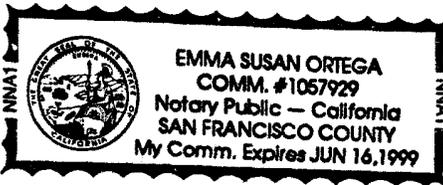
STATE OF CALIFORNIA)
) S.S.
COUNTY OF SAN FRANCISCO)

On July 7, 1998, before me, Emma S. Ortega, personally appeared Richard C. Kirchner, President of HELM FINANCIAL CORPORATION,

personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.



Emma Susan Ortega
SIGNATURE OF THE NOTARY

[Notarial Seal]

STATE OF NORTH DAKOTA)
) S.S.
COUNTY OF GRAND FORKS)

On JUNE 25, 1998, before me, Michele Leddige, personally appeared JAMES R. BRADSHAW, President of STRATA CORPORATION,

personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

Michele Leddige
SIGNATURE OF THE NOTARY

[Notarial Seal]

MICHELE LEDDIGE
Notary Public, STATE OF NORTH DAKOTA
My Commission Expires NOV. 17, 1999

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