

MEMORANDUM OF LESSEE SECURITY
AGREEMENT AND MORTGAGE
(Equipment Lot SS)

Memorandum of Lessee Security Agreement and Mortgage (Equipment Lot SS), dated as of September 30, 1995, by and between Frank W. McDonald, Jr., not in his individual capacity but solely as Owner Trustee ("*Lessor*"), and New Jersey Transit Corporation, a body corporate and politic established in the Executive Branch of the State Government of New Jersey ("*Lessee*").

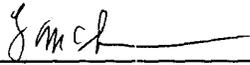
WITNESSETH:

The parties hereto are entering into that certain Lessee Security Agreement and Mortgage (Equipment Lot SS), dated as of September 30, 1995, whereby Lessor agrees to grant to Lessee as security for Lessor's performance of its obligations described in said Lessee Security Agreement and Mortgage (Equipment Lot SS) a security interest in and mortgage on the Items of Equipment specified in Exhibit A attached hereto, subject and subordinate and junior in priority to the lien of the Loan and Security Agreement (Equipment Lot SS) dated as of September 30, 1995, between the Lessor and Utrecht-America Finance Co. relating to said Items of Equipment.

This Memorandum may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

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

FRANK W. McDONALD, JR.,
as Owner Trustee

By 
Name:
Title:

NEW JERSEY TRANSIT
CORPORATION

By 
Name: H. Charles Wedel
Title: CFD

STATE OF NEWYORK)
) SS
COUNTY OF NEW YORK)

On this 30th day of September 1995, before me personally appeared FRANK W. McDONALD, JR., to me personally known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same.



Notary Public

NOTARY PUBLIC
Notary Public, State of New York
No. 014096483
Qualified in New York County
Commission Expires June 15, ~~1990~~ 1997

[NOTARIAL SEAL]

My commission expires: 6/15/97

STATE OF NEW YORK)
) SS
COUNTY OF NEW YORK)

On this 30TH day of September 1995, before me personally appeared H. CHARLES WEDEL, to me personally known, who being by me duly sworn, said that he is the Chief Financial Officer of NEW JERSEY TRANSIT CORPORATION, that said instrument was signed on such date on behalf of said corporation on such day by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

GLORIA M. LUGO
NOTARY PUBLIC, State of New York
No. 31-4893483
Qualified in New York County
Commission Expires June 15, 1997 (96)

[NOTARIAL SEAL]

My commission expires: 6/15/97

Exhibit A

EXHIBIT A

	Comet #	Serial #
	5755	302
	5756	303
	5757	304
	5758	305
22 units	5759	306
1988 Comet II	5760	312
	5761	313
	5762	314
	5763	315
	5764	316
	5765	317
	5766	318
	5767	319
	5768	320
	5769	321
	5770	322
	5771	323
	5820	307
	5821	308
	5822	309
	5823	310
	5824	311
	5500	559
	5501	560
	5502	562
	5503	563
	5504	565
	5505	567
	5506	569
	5507	570
	5508	572
	5509	574
	5510	576
	5511	577
	5512	579
	5513	581
	5514	582
	5515	584
34 units	5516	586
1991 Comet III	5517	588
Trailer	5518	590
	5519	592
	5520	594
	5521	595
	5522	596

	Comet #	Serial #
	5523	597
	5524	598
	5525	599
	5526	600
	5527	601
	5528	602
	5529	603
	5530	604
	5531	605
	5532	606
	5533	607
	5200	564
	5201	566
6 units	5202	587
1991 Comet III	5203	589
Trailer with toilets	5204	591
	5205	593