

MOORE & VAN ALLEN, PLLC

ATTORNEYS AT LAW

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January 10, 1997

20581

JAN 14 1997

Secretary
Surface Transportation Board
1201 Constitution Avenue, NW
Room 2311
Washington, DC 20423-0001

JAN 14 3 40 PM '97

RECEIVED
SURFACE TRANSPORTATION
BOARD

Re Memorandum of Lease Agreement

Dear Secretary:

Enclosed for recordation pursuant to the provisions of 49 U S C Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated as of December 30, 1996, a primary document as defined in the Board's Rules for the Recordation of Documents

The names and addresses of the parties to the enclosed document are

Lessor. NationsBank of Texas, N.A.
c/o NationsBank Leasing Corporation of North Carolina
NationsBank Plaza
101 South Tryon Street, NC1-002-38-20
Charlotte, NC 28255-0001

Lessee Houston Belt & Terminal Railway Company
501 Crawford, Room 202
Houston, Texas 77002

A description of the railroad equipment covered by the enclosed document is set forth on Schedule I attached hereto

Also enclosed is a check in the amount of \$22 00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped original of the enclosed document to the undersigned

Very truly yours,

MOORE & VAN ALLEN, PLLC


Robert I. Kenny

Enclosures

SCHEDULE I

DESCRIPTION OF EQUIPMENT

1	Number of Locomotives	8
2	Description of Locomotives	MK Rail Model MK 1500 D 1500 Brake Horsepower Diesel Electric Locomotive, AAR Designation B-B, Industry Designation 0440
3	Marks	HBT
4	Locomotive Numbers	9625 9626 9627 9628 9629 9630 9631 9632

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20425-0001

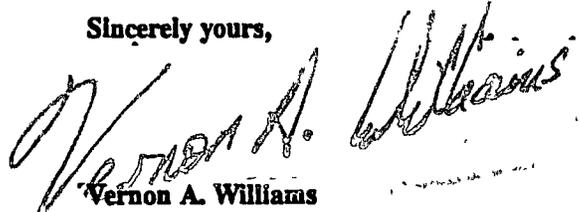
1/14/97

Robert I. Kenny
Moore & Van Allen, PLLC
NationsBank Corporate Center
100 North Tryon Street Floor 47
Charlotte, North Carolina 28202-4003

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 1/14/97 at 3:45PM, and assigned recordation number(s). 20501.

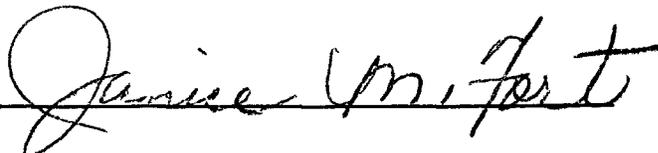
Sincerely yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$ 22.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



2050/ FILED 1/14/97
JAN 14 1997 -3 45 PM

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT dated as of December 30, 1996, is between NATIONSBANK OF TEXAS, NATIONAL ASSOCIATION, a national banking association ("Lessor"), and HOUSTON BELT & TERMINAL RAILWAY COMPANY, a Texas corporation ("Lessee").

WHEREAS, the Lessor and the Lessee have entered into those certain Lease Supplement and Acceptance Certificate Nos. 1-8 (the "Lease Supplements") which Supplement that certain Master Equipment Lease Agreement dated as of May 30, 1996 (the "Lease Agreement"; the Lease Agreement as supplemented by the Lease Supplements, being referred to herein as the "Lease") between the Lessor and the Lessee, and place under lease eight (8) MK 1500D diesel locomotives manufactured by MK Rail Corporation bearing manufacturer's serial nos. and Lessee's road nos. as set forth on Exhibit A attached hereto, and all additions thereto, alterations thereof, replacements thereof and substitutions therefor;

IN WITNESS WHEREOF, the parties wish to show for the public record the aforesaid Lease, and accordingly have caused this Memorandum of Lease Agreement to be executed by their officers thereunto duly authorized, as of the date first above written. This memorandum may be executed in counterparts, each such counterpart shall be binding on both parties hereto, notwithstanding that both parties are not signatories to the same counterpart.

NATIONSBANK OF TEXAS, NATIONAL ASSOCIATION

By: M. Randall Ross
Name: M. RANDALL ROSS
Title: SENIOR VICE PRESIDENT

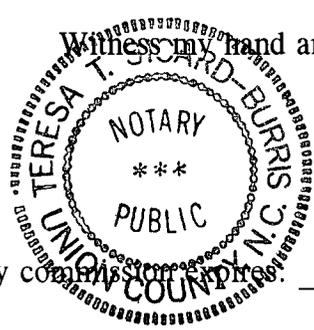
HOUSTON BELT & TERMINAL RAILWAY COMPANY

By: [Signature]
Name: _____
Title: _____

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, Teresa T. Sicard-Burris, a Notary Public in and for said state and county, do hereby certify that M. Randall Ross personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease Agreement.



Witness my hand and official seal this 7th day of January, 1997.
My commission expires 12-14-97

Teresa T. Sicard-Burris
Notary Public

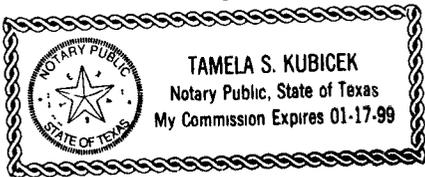
[NOTARY SEAL]

STATE OF Texas

COUNTY OF Harris

I, Tamela S. Kubicek, a Notary Public in and for said state and county, do hereby certify that J. B. Mathis personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease Agreement

Witness my hand and official seal this 30th day of December, 1996



Tamela S. Kubicek
Notary Public

My commission expires:

1-17-99

[NOTARY SEAL]

EXHIBIT A

<u>Road Nos.</u>	<u>Serial Nos.</u>
HBT 9625	19572
HBT 9626	24311
HBT 9627	21686
HBT 9628	19888
HBT 9629	22681
HBT 9630	22695
HBT 9631	22689
HBT 9632	20746