



First Union Rail Corporation
 One O'Hare Center
 6250 River Road, Suite 5000
 Rosemont, IL 60018-4214
 Tel 847 318-7575
 Fax 847 318-7588

RECORDATION NO. 22721-A FILED

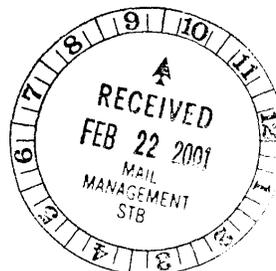
VIA UPS NEXT DAY AIR

February 21, 2001

FEB 26 '01 19-21 AM

Mr. Vernon E. Williams
 Surface Transportation Board
 1925 K Street, N.W., Room 704
 Washington, DC 20423-0001
 Attn: Recordation of Railroad Equipment

SURFACE TRANSPORTATION BOARD



Re: Memorandum of Lease Agreement

Dear Mr. Williams:

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 October 12, 2000, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation number 22721.

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

<p>Lessor: First Union Rail Corporation One O'Hare Center 6250 River Road, Suite 5000 Rosemont, IL 60018</p>	<p>Lessee: Twin Cities & Western Railroad Company 2925 12th Street East Glencoe, MN 55336</p>
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A description of the railroad equipment covered by the enclosed document is thirty-nine (39) 4700/4750 cubic foot covered hopper cars, with TCWR marks (please see Exhibit A for car numbers).

A short summary of the document to appear in the index follows:

Memorandum of Lease between First Union Rail Corporation, Lessor and Twin Cities and Western Railroad Company, Lessee, covering 39 4700/4750 cubic foot covered hopper cars, with TCWR marks (please see Exhibit A for car numbers).

Also enclosed is a check in the amount of \$27.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,


 Tiffany Chase-Morrison
 Manager of Documentation

Enclosures

(TCW010)

RECORDATION NO. 22721-A FILED

ASSGN. NO.: TCW010

MEMORANDUM OF LEASE FEB 26 '01 19-21 AM

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 12th day of October, 2000 by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Twin Cities & Western Railroad Company, a Minnesota corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of February 25, 1998, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 10 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of December 1, 2000, and subject to the terms, conditions and provisions of the above mentioned Lease and Rider.

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

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: K.A. Dombrowski
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing
Executed on this 12th day of October, 2000

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 12th day of October, 2000.

Susan Grokulska
Notary Public

My Commission Expires:
8-14-2004
(Notary Public)



LESSEE:

TWIN CITIES & WESTERN
RAILROAD COMPANY

ATTEST:

By: Lloyd T. Host
Name: LLOYD T. HOST
Title: VP MARKETING & SALES

By: _____
Name: _____
Title: _____

Executed on this 2nd day of October, 2000.

[CORPORATE SEAL]

STATE OF Minnesota
COUNTY OF McLeod

I, Rachel B. Huls, a Notary Public of the County and State aforesaid, certify that Lloyd T. Host personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 5th day of October, 2000.

Rachel B. Huls
Notary Public

My Commission Expires:

1-31-05
(Notary Public)

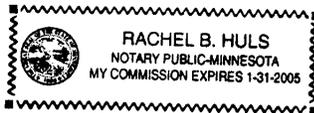


EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Thirty-nine (39)

DESCRIPTION OF CARS: 4700/4750 covered hopper cars equipped with trough hatches and gravity outlets.

CAR NUMBERS: See below.

Car initial	Car number
TCWR	826880
TCWR	818202
TCWR	826953
TCWR	820686
TCWR	820849
TCWR	821038
TCWR	821101
TCWR	821104
TCWR	821109
TCWR	821486
TCWR	822142
TCWR	822150
TCWR	822153
TCWR	827984
TCWR	828024
TCWR	824503
TCWR	824505
TCWR	824512
TCWR	824520
TCWR	824522
TCWR	824527
TCWR	824534
TCWR	824535
TCWR	824541
TCWR	824546
TCWR	824566
TCWR	824574
TCWR	824584
TCWR	824585
TCWR	824593
TCWR	824595

TCWR	824600
TCWR	824603
TCWR	824605
TCWR	824621
TCWR	824637
TCWR	824639
TCWR	821430
TCWR	820682
TOTAL: 39	