

RECORDATION NO. 23393-A FILED

MAR 1 '01 11-39 AM
TS
SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

March 1, 2001

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease Agreement, dated February 28, 2001, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Loan and Security Agreement which is being filed with the Board under Recordation Number 23393.

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

Lessor: Midwest Railcar Corporation
9876 213th Avenue, N.W.
Elk River, Minnesota 55330

Lessee: Dakota, Minnesota & Eastern Railroad
Corporation
337 22nd Avenue South
Brookings, South Dakota 57006

A description of the railroad equipment covered by the enclosed document is:

Sixteen (16) boxcars within the series DME 005600 - DME 005624 not inclusive.

Mr. Vernon A. Williams
February 27, 2001
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A short summary of the document to appear in the index is:

Memorandum of Lease Agreement, dated February 28, 2001, between Midwest Railcar Corporation, Lessor, and Dakota, Minnesota & Eastern Railroad Corporation, Lessee, covering sixteen (16) boxcars within the series DME 005600 - DME 005624 not inclusive.

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 stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bjg
Enclosures

RECORDATION NO. 23393-A FILED

MAR 1 '01 11-39 AM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE AGREEMENT

dated as of February 28, 2001

between

MIDWEST RAILCAR CORPORATION

as Lessor

and

DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION

as Lessee

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of February ~~25~~ 2001, by and between MIDWEST RAILCAR CORPORATION ("Lessor") and DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION ("Lessee"), with reference to the following:

This Memorandum of Lease Agreement is intended to evidence the lease of railway cars, pursuant to the Full Service Lease Agreement and Equipment Rider 1 thereto, entered into by and between Lessor and Lessee, effective November 14, 2000 (the "Lease"), with respect to the railcars set forth in Schedule A hereto (the "Boxcars"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the United States Department of Transportation under Section 49 U.S.C. 11301, as amended. The Lessor has the right to lease the Boxcars, and the Lessee is leasing or shall lease from the Lessor the Boxcars upon the terms and conditions provided in the Lease.

This Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

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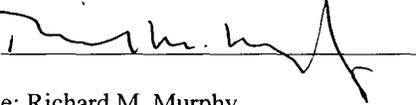
REGISTRATION NO. 23393-A FILED

MAR 1 '01 11-89 AM

SURFACE TRANSPORTATION BOARD

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

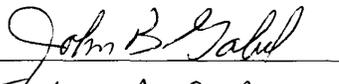
MIDWEST RAILCAR CORPORATION

By: 

Name: Richard M. Murphy

Title: President & CEO

DAKOTA, MINNESOTA & EASTERN
RAILROAD CORPORATION

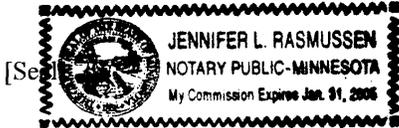
By: 

Name: JOHN B GABEL

Title: Gen Mgr Railcar Fleet

STATE OF MINNESOTA)
COUNTY OF SHERBURNE)

On this 23 day of February, 2001, before me appeared RICHARD M MURPHY the person who signed this instrument, who acknowledged that he is a PRESIDENT of Midwest Railcar Corporation and that, being duly authorized, he signed such instrument as a free act on behalf of said corporation.

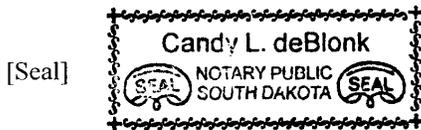


Jennifer L Rasmussen
Notary Public

My commission expires: JAN 31, 2005

STATE OF S. Dakota)
COUNTY OF Brookings) ss.

On this 23rd day of February, 2001, before me appeared John B. Gebel the person who signed this instrument, who acknowledged that (s)he is Gen. Mgr. Railcar Fleet of Dakota, Minnesota & Eastern Railroad Corporation and that, being duly authorized, (s)he signed such instrument as a free act on behalf of said corporation.



Candy L deBlonk
Notary Public

My commission expires: **MY COMMISSION EXPIRES,
March 10, 2001**

SCHEDULE "A"
To Memorandum of Lease Agreement
Full Service Lease # 2000-DME Rider 1
One Page

Car Specifications:

Cubic Capacity: 5394 – 5600

Load Capacity: 160,000 – 170,000

Interior Width: 09'00" – 09'04"

Door Width: 10'06" – 12'00"

Door Type: Single Plug

Floors: 50K

Interior Length: 60'03" – 60'11"

Interior Height: 09'05" – 10'00"

Door Height: 09'07" – 10'00"

Car Numbers

DME 005600
DME 005602
DME 005603
DME 005604
DME 005605
DME 005606
DME 005609
DME 005612
DME 005613
DME 005615
DME 005618
DME 005619
DME 005620
DME 005621
DME 005623
DME 005624