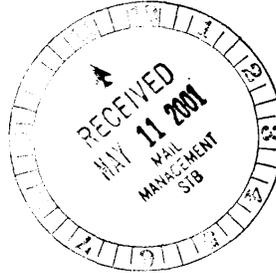




First Union Rail Corporation
 NC5811
 One O'Hare Center
 6250 River Road, Suite 5000
 Rosemont, IL 60018-4214
 Tel 847 318-7575
 Fax 847 318-7588

May 10, 2001

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



VIA UPS NEXT DAY AIR

RECORDATION NO. 22581-C PUD
 MAY 17 '01 2:57 PM
 TS
 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 February 20, 2001, 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 22581.

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: Cascade and Columbia River Railroad Co. 5300 Broken Sound Blvd., NW 2nd Floor Boca Raton, FL 33487</p>
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A description of the railroad equipment covered by the enclosed document is thirty (30) 4750 cubic foot covered hopper cars, with car numbers NOKL 827095-827173, non-inclusive.

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

Memorandum of Lease between First Union Rail Corporation, Lessor and Cascade and Columbia River Railroad Company, Lessee, covering 30 4750 cubic foot covered hopper cars, with car numbers NOKL 827095-827173, non-inclusive.

Also enclosed is a check in the amount of \$28.00 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

(CSCD016)

MAY 17 '01 2-57 PM

ASSIGN: CSCD016

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 20th day of February, 2001, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, Cascade and Columbia River Railroad Co. ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of June 15, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 15 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of January 28, 2001 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: K.A. DOMBROWSKI
Title: DIRECTOR OF DOCUMENTATION

By: Richard F. Seymour
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 20th day of February, 2001

[CORPORATE SEAL]

STATE OF ILLINOIS

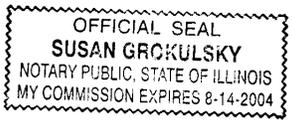
COUNTY OF COOK

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 20th day of February, 2001.

Susan Grokulsky
Notary Public

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



LESSEE:

CASCADE AND COLUMBIA RIVER
RAILROAD CO.

ATTEST:

By: David McCloud
Name: David McCloud
Title: Manager-Fleet

By: [Signature]
Name: A.M. Sauer
Title: VP Business Development

Executed on this 15 day of Feb, 2001.

[CORPORATE SEAL]

STATE OF FLORIDA

COUNTY OF PALM BEACH

I, DOROTHY SINGER, a Notary Public of the County and State aforesaid, certify that ALFRED M. SAUER, 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 15th day of FEBRUARY, 2001.

[Signature]
Notary Public

My Commission Expires:

07-16-2001
(Notary Public)

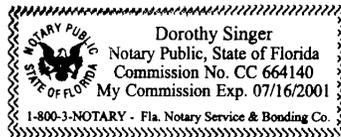


EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Thirty (30)

DESCRIPTION OF CARS: 4750 cu. ft. covered hopper cars

CAR NUMBERS: See below:

NOKL	827095
NOKL	827097
NOKL	827101
NOKL	827103
NOKL	827106
NOKL	827109
NOKL	827110
NOKL	827111
NOKL	827112
NOKL	827114
NOKL	827120
NOKL	827121
NOKL	827123
NOKL	827124
NOKL	827125
NOKL	827126
NOKL	827128
NOKL	827131
NOKL	827132
NOKL	827136
NOKL	827137
NOKL	827139
NOKL	827140
NOKL	827141
NOKL	827142
NOKL	827160
NOKL	827163
NOKL	827164
NOKL	827165
NOKL	827173
Count:	30