



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

RECORDATION NO. 22581-J FILED

OCT 18 '01 3-27 PM

VIA UPS 2nd DAY AIR

October 11, 2001

SURFACE TRANSPORTATION BOARD



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

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 September 24, 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:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Cascade and Columbia River Railroad Co.
5300 Broken Sound Blvd., NW 2nd Floor
Boca Raton, FL 33487

A description of the railroad equipment covered by the enclosed document is thirty-two (32) 61' bulkhead flatcars with car marks NOKL (See Exhibit A for exact car numbers).

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 32 61' bulkhead flatcars with car marks NOKL (See Exhibit A for exact car numbers).

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) 384-5355. Thank you for your cooperation in this matter.

Very truly yours,

Susan Grokulsky
Manager - Documents Administration

Enclosures

(CSCD027)

ASSIGN. NO.: CSCD027

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 24th, day of September, 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. 26 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of August 1, 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 E. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 24th day of September 2001

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD E. 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 24th day of September 2001.

Susan Grokulsky
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



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LESSEE:

CASCADE AND COLUMBIA RIVER
RAILROAD CO.

ATTEST:

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

By: Sandra K. Franzen
Name: Sandra K. Franzen
Title: MVP Business Development

Executed on this 18 day of Sept., 2001.

[CORPORATE SEAL]

STATE OF Florida

COUNTY OF Palm Beach

I, Dorothy Singer, a Notary Public of the County and State
aforesaid, certify that Sandra K. Franzen, 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 18th day of September, 2001.

Dorothy Singer
Notary Public

My Commission Expires:

07-16-05
(Notary Public)



Dorothy Singer
Commission # DD 031124
Expires July 16, 2005
Bonded Thru
Atlantic Bonding Co., Inc.

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Thirty-two (32)

DESCRIPTION OF CARS: 61' 268 GRL Bulkhead Flatcars

CAR NUMBERS: See below

| | | | |
|------|--------|--------------|-----------|
| NOKL | 725003 | NOKL | 725359 |
| NOKL | 725007 | NOKL | 725360 |
| NOKL | 725008 | NOKL | 725361 |
| NOKL | 725011 | NOKL | 725369 |
| NOKL | 725012 | NOKL | 725370 |
| NOKL | 725013 | NOKL | 725373 |
| NOKL | 725018 | NOKL | 725375 |
| NOKL | 725020 | NOKL | 725376 |
| NOKL | 725021 | NOKL | 725377 |
| NOKL | 725022 | NOKL | 725378 |
| NOKL | 725026 | NOKL | 725379 |
| NOKL | 725349 | NOKL | 725381 |
| NOKL | 725351 | NOKL | 725382 |
| NOKL | 725353 | NOKL | 725383 |
| NOKL | 725354 | NOKL | 725386 |
| NOKL | 725355 | TOTAL | 32 |
| NOKL | 725358 | | |