



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

VIA UPS NEXT DAY AIR

January 18, 2001

RECORDATION NO. 23351 FILED

JAN 23 '01

11-32 AM

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 November 30, 2000, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. 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: Cedar Rapids & Iowa City Railway Co. 2330 12th Street S.W. Cedar Rapids, IA 52404</p>
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A description of the railroad equipment covered by the enclosed document is two (2) 56 ½', 100 ton bulkhead flatcars, with car numbers NOKL 724533 and NOKL 724534.

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

Memorandum of Lease between First Union Rail Corporation, Lessor and Cedar Rapids & Iowa City Railway Company, Lessee, covering 2 56 ½', 100 ton bulkhead flatcars, with car numbers NOKL 724533 and NOKL 724534.

Also enclosed is a check in the amount of \$26.00 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

(CIC001)

RECORDED 23351 FILED

ASSGN. NO.: CIC001

JAN 23 '01

11-32 AM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 30th day of November, 2000, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Cedar Rapids and Iowa City Railway Company ("Lessee"), an Iowa corporation.

SURFACE TRANSPORTATION BOARD

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of November 30, 2000, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 1 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: Richard F. Seymour

By: K.A. Dombrowski

Name: RICHARD F. SEYMOUR
Vice President Sales & Marketing

Name: K.A. DOMBROWSKI

Title: _____

Title: DIRECTOR OF DOCUMENTATION

Executed on this 30th day of Nov, 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/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 30th day of November, 2000.

Susan Grokulskey
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



LESSEE:

CEDAR RAPIDS AND IOWA RAILWAY COMPANY

ATTEST:

By: [Signature]

Name: Paul TREANGEN

Title: VP/6M

By: [Signature]

Name: J. L. Swanson

Title: Marketing & Rate Analyst

Executed on this 22nd day of November, 2000.

[CORPORATE SEAL]

STATE OF Iowa

COUNTY OF Linn

I, Eileen Barber-Goodwin, a Notary Public of the County and State aforesaid, certify that Paul Treangen & Jerry Swanson personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 22nd day of Nov, 2000.

Eileen M. Barber-Goodwin
Notary Public

Commission Expires:

10-6-2001
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Two (2)

DESCRIPTION OF CARS: 56 ½', 100-ton bulkhead flatcars

CAR NUMBERS: NOKL 724533 and NOKL 724534