



First Union Rail Corporation
 NC5811
 Commercial Leasing Group
 One O'Hare Centre
 6250 River Road, Suite 5000
 Rosemont, IL 60018
 Tel 847 318-7575
 847 318-7588

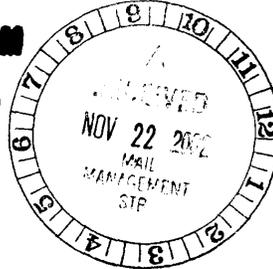
VIA UPS 2nd DAY AIR

November 21, 2002

RECORDATION NO. 22721-B FILED

NOV 22 12

11-57AM



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 15, 2002, 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 seventy-five (76) 4750 cubic foot capacity covered hopper cars, with NOKL marks (See Exhibit A for numbers).

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

Also enclosed is a check in the amount of \$30.00 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,

Amy Carone
 Manager of Documentation

Enclosures

(TCW016)

ASSGN. NO.: TCW016

MEMORANDUM OF LEASE

NOV 22 '02

11-57 AM

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 15th day of October, 2002 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. 16 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of November 2, 2002, 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: [Signature]
Name: K. A. Dombrowski
Title: DIRECTOR OF DOCUMENTATION

By: [Signature]
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 15th day of October, 2002

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

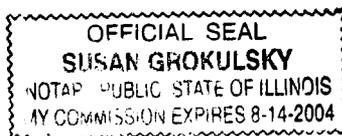
I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 15th day of October, 2002.

[Signature]
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 23 day of Sept, 2002.

[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 23rd day of September, 2002.

Rachel B. Huls
Notary Public

My Commission Expires:

1-31-05
(Notary Public)

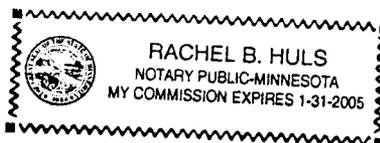


EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Seventy-five (75)

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

CAR NUMBERS: See below:

NOKL	50	NOKL	827072	NOKL	829157
NOKL	51	NOKL	829103	NOKL	829162
NOKL	55	NOKL	829104	NOKL	829164
NOKL	56	NOKL	829105	NOKL	829165
NOKL	57	NOKL	829106	NOKL	829166
NOKL	58	NOKL	829107	NOKL	832703
NOKL	60	NOKL	829109	NOKL	832718
NOKL	818453	NOKL	829112	NOKL	832724
NOKL	818544	NOKL	829114	NOKL	832725
NOKL	818555	NOKL	829116	NOKL	832728
NOKL	818566	NOKL	829117	NOKL	832731
NOKL	821711	NOKL	829130	NOKL	832732
NOKL	822759	NOKL	829133	NOKL	832733
NOKL	826840	NOKL	829135	NOKL	832745
NOKL	826885	NOKL	829137	NOKL	832746
NOKL	826886	NOKL	829138	NOKL	832754
NOKL	826891	NOKL	829139	NOKL	832755
NOKL	826925	NOKL	829144	NOKL	832757
NOKL	826931	NOKL	829145	NOKL	832762
NOKL	826950	NOKL	829146	NOKL	832764
NOKL	826963	NOKL	829149	NOKL	832767
NOKL	826980	NOKL	829151	NOKL	832768
NOKL	826983	NOKL	829153	NOKL	832769
NOKL	827011	NOKL	829154	Count:	75
NOKL	827061	NOKL	829155		
NOKL	827065	NOKL	829156		