



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

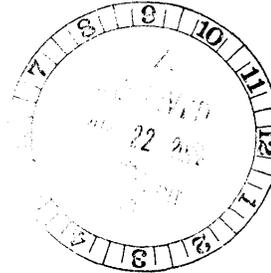
November 21, 2002

RECORDATION NO. 22721-D FILED

NOV 22 '02

12-35 PM

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 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 one hundred (100) 4750 cubic foot capacity covered hopper cars, with MPLI 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

(TCW015)

RECORDATION NO. 27721-D FILED

ASSGN. NO.: TCW015

NOV 22 '02 12-35 PM

MEMORANDUM OF LEASE

~~SUBJECT TO TRANSFORMATION 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. 15 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of October 3 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

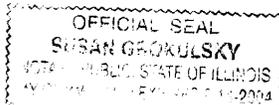
I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

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)

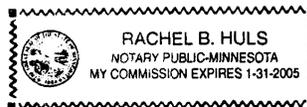


EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: One hundred (100)

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

CAR NUMBERS: See below:

MPLI 816447	MPLI 827083	MPLI 829141	MPLI 832730
MPLI 816448	MPLI 829100	MPLI 829142	MPLI 832735
MPLI 816449	MPLI 829101	MPLI 829143	MPLI 832737
MPLI 818528	MPLI 829102	MPLI 829147	MPLI 832738
MPLI 818581	MPLI 829108	MPLI 829148	MPLI 832740
MPLI 818600	MPLI 829110	MPLI 829150	MPLI 832741
MPLI 820007	MPLI 829111	MPLI 829152	MPLI 832742
MPLI 826842	MPLI 829113	MPLI 829158	MPLI 832743
MPLI 826863	MPLI 829115	MPLI 829159	MPLI 832744
MPLI 826884	MPLI 829118	MPLI 829160	MPLI 832748
MPLI 826888	MPLI 829119	MPLI 829161	MPLI 832749
MPLI 826898	MPLI 829120	MPLI 829163	MPLI 832751
MPLI 826900	MPLI 829121	MPLI 829167	MPLI 832752
MPLI 826942	MPLI 829122	MPLI 832700	MPLI 832753
MPLI 826952	MPLI 829123	MPLI 832702	MPLI 832756
MPLI 826966	MPLI 829124	MPLI 832709	MPLI 832758
MPLI 826968	MPLI 829125	MPLI 832714	MPLI 832759
MPLI 826969	MPLI 829126	MPLI 832715	MPLI 832760
MPLI 826970	MPLI 829127	MPLI 832716	MPLI 832761
MPLI 826975	MPLI 829128	MPLI 832717	MPLI 832763
MPLI 826986	MPLI 829129	MPLI 832719	MPLI 832765
MPLI 827026	MPLI 829131	MPLI 832722	MPLI 832766
MPLI 827030	MPLI 829132	MPLI 832723	Count: 100
MPLI 827038	MPLI 829134	MPLI 832726	
MPLI 827047	MPLI 829136	MPLI 832727	
MPLI 827062	MPLI 829140	MPLI 832729	