OSTER
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RECORDATION NO. 24584 FILED

AUG 29 '03 8-55 AM

SURFACE TRANSPORTATION BOARD

August 29, 2003

Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Dear Sir:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Lease dated 5/5/03 involving the following parties and railroad equipment:

Lessor: The Andersons, Inc.
480 W. Dussel Drive
Maumee, OH 43537

Lessee: Dakota, Minnesota & Eastern Railroad
140 N. Philips Avenue
Sioux Falls, SD 57104

Equipment: 147, Covered Grain Hoppers
DME 044001-047155, NI

Please record this agreement as a primary document. The filing fee of $30 is enclosed. Thank you.

Summary: Memorandum of Lease dated 5/5/03 between The Andersons, Inc. as Lessor and Dakota, Minnesota & Eastern Railroad as Lessee including 147, Covered Grain Hoppers within the series DME 044001-047155, a primary document.

Sincerely,

Mary A Oster

Mary Ann Oster
Research Consultant

Enclosures

MEMORANDUM OF LEASE

This Memorandum of Lease is entered into as of the 5th day of May, 2003, by and between The Andersons, Inc., an Ohio corporation, having its principal place of business at 480 W. Dussel Drive, Maumee, OH 43537 (hereinafter "Lessor") and Dakota, Minnesota & Eastern Railroad Corp., a Delaware corporation, having its principal place of business at 140 N. Philips Ave., Sioux Falls, SD, 57104 (hereinafter "Lessee").

1. Lessor and Lessee are parties to that Certain Master Lease Agreement dated as of May 6, 1996 (the "Master Lease"), and Deal #199701-DMER5, R00224 dated as of May 22, 2003 (the "Assigned Schedule"), whereby Lessor leases to Lessee one hundred forty seven (147) railcars bearing railroad reporting marks as noted on attached Exhibit "A" (collectively, the "Railcars") for the term of thirty (30) months starting the July 1, 2003.

2. Lessee has an option to purchase Railcars upon the end of their useful life for a price determined by the average of three (3) appraised values.

This Memorandum of Lease may be executed in any number of counterparts, each executed counterpart constituting an original but altogether only one and the same Memorandum of Lease.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Lease as of the day and year first written above.

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SURFACE TRANSPORTATION BOARD

LESSEE:
DAKOTA MINNESOTA & EASTERN RAILROAD CORP.

By: John B. Gable

Title: General Manager Railcar Fleet

STATE OF SOUTH DAKOTA)

COUNTY OF MINNEHAHA) SS:

The foregoing instrument was acknowledged before me this 30 day of July, 2003, by John B. Gable, the General Manager of Dakota, Minnesota, & Eastern Railroad Corp., a Delaware corporation, on behalf of the corporation.

CYNDE A. JERVIK
SEAL NOTARY PUBLIC SOUTH DAKOTA SEAL

Cynde Jervik
Notary Public

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CYNDE JERVIK
My Commission Expires
June 15, 2006

Deal #R00224

Exhibit A
Agreement No. 199701-DMER5

	Car Number	Yr Built New		Car Number	Yr Built New		Car Number	Yr Built New
1	DME 044001	65	51	DME 046071	65	101	DME 047059	65
2	DME 044002	65	52	DME 046072	65	102	DME 047062	65
3	DME 044003	65	53	DME 046073	65	103	DME 047063	65
4	DME 044008	65	54	DME 046074	65	104	DME 047064	65
5	DME 044010	65	55	DME 046075	65	105	DME 047065	65
6	DME 046001	65	56	DME 046077	65	106	DME 047067	65
7	DME 046002	65	57	DME 046078	65	107	DME 047070	65
8	DME 046003	65	58	DME 046079	65	108	DME 047071	65
9	DME 046004	65	59	DME 046080	65	109	DME 047075	65
10	DME 046007	65	60	DME 046081	65	110	DME 047077	65
11	DME 046008	65	61	DME 046082	65	111	DME 047082	65
12	DME 046009	65	62	DME 046083	65	112	DME 047083	65
13	DME 046029	65	63	DME 046084	65	113	DME 047087	65
14	DME 046030	65	64	DME 046085	65	114	DME 047090	65
15	DME 046031	65	65	DME 046086	65	115	DME 047091	65
16	DME 046032	65	66	DME 046088	65	116	DME 047092	65
17	DME 046033	65	67	DME 046089	65	117	DME 047095	65
18	DME 046035	65	68	DME 046090	65	118	DME 047096	65
19	DME 046036	65	69	DME 046091	65	119	DME 047097	65
20	DME 046037	65	70	DME 046092	65	120	DME 047101	65
21	DME 046038	65	71	DME 046093	65	121	DME 047104	65
22	DME 046039	65	72	DME 046094	65	122	DME 047105	65
23	DME 046040	65	73	DME 046095	65	123	DME 047108	65
24	DME 046041	65	74	DME 046096	65	124	DME 047110	65
25	DME 046042	65	75	DME 046108	65	125	DME 047113	65
26	DME 046043	65	76	DME 047011	65	126	DME 047114	65
27	DME 046044	65	77	DME 047012	65	127	DME 047115	65
28	DME 046045	65	78	DME 047013	65	128	DME 047116	65
29	DME 046046	65	79	DME 047014	65	129	DME 047118	65
30	DME 046047	65	80	DME 047015	65	130	DME 047119	65
31	DME 046048	65	81	DME 047016	65	131	DME 047121	65
32	DME 046049	65	82	DME 047017	65	132	DME 047123	65
33	DME 046050	65	83	DME 047019	65	133	DME 047129	65
34	DME 046051	65	84	DME 047023	65	134	DME 047130	65
35	DME 046053	65	85	DME 047024	65	135	DME 047131	65
36	DME 046054	65	86	DME 047025	65	136	DME 047132	65
37	DME 046055	65	87	DME 047026	65	137	DME 047133	65
38	DME 046056	65	88	DME 047027	65	138	DME 047134	65
39	DME 046057	65	89	DME 047028	65	139	DME 047139	65
40	DME 046058	65	90	DME 047029	65	140	DME 047141	65
41	DME 046059	65	91	DME 047030	65	141	DME 047144	65
42	DME 046060	65	92	DME 047032	65	142	DME 047145	65
43	DME 046061	65	93	DME 047033	65	143	DME 047147	65
44	DME 046062	65	94	DME 047035	65	144	DME 047151	65
45	DME 046063	65	95	DME 047040	65	145	DME 047153	65
46	DME 046064	65	96	DME 047052	65	146	DME 047154	65
47	DME 046065	65	97	DME 047054	65	147	DME 047155	65
48	DME 046067	65	98	DME 047055	65			
49	DME 046069	65	99	DME 047056	65			
50	DME 046070	65	100	DME 047057	65			

Deal #R00224

Exhibit A
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