

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
Fax 847.318.7588

RECORDATION NO. 22581-HH FILED

AUG 31 '04 4-09 PM

SURFACE TRANSPORTATION BOARD



August 26, 2004

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 three (3) originals of a Memorandum of Lease Agreement, dated June 23, 2004, 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:

<p>Lessor: First Union Rail Corporation One O'Hare Center 6250 River Road, Suite 5000 Rosemont, IL 60018</p>	<p>Lessee: Cascade and Columbia River Railroad Company 5300 Broken Sound Blvd, N.W. Boca Raton, FL 33487</p>
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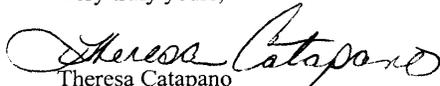
A description of the railroad equipment covered by the enclosed document is fifty (50) 2494 cu. ft., coil steel gondola cars, marked NOKL (see Exhibit A for car numbers).

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 regarding the above-referenced matter, please contact me at (847) 384-5375.
Thank you for your cooperation in this matter.

Very truly yours,


Theresa Catapano
Manager of Documentation

Enclosures

(CSCD086)

ASSIGN. NO.: CSCD086

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 23rd day of July, 2004, 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. 60 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of October 1, 2003 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: GEORGIA FREIBURGER
Title: MGR. OF DOCUMENTATION

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

Executed on this 23rd day of July, 2004

[CORPORATE SEAL]

RECORDATION NO. 22581-HH FILED

STATE OF ILLINOIS

AUG 31 '04

4-09 PM

COUNTY OF COOK

SURFACE TRANSPORTATION BOARD

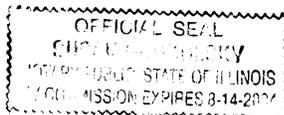
I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR, personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 23rd day of July, 2004.

[Signature]
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



LESSEE:

CASCADE AND COLUMBIA RIVER
RAILROAD CO.

ATTEST:

By: Sandra K. Franger
Name: Sandra K. Franger
Title: VP - Contract

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

Executed on this 20th day of July, 2004.

[CORPORATE SEAL]

STATE OF Florida
COUNTY OF Palm Beach

I, Michele Beach, a Notary Public of the County and State aforesaid, certify that Sandra Franger, 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 30th day of July, 2004.

Michele R. Beach
Notary Public

My Commission Expires:

March 20, 2008
(Notary Public)

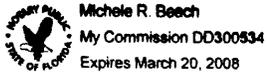


EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Fifty (50)

DESCRIPTION OF CARS: 1981 built; 5 ft sided, 263,000 lbs. gross rail load, 2494 cu. ft. capacity coil steel gondola cars with fiberglass hoods, wooden coil trough and cross bracing with capacity to handle steel coils from 30" to 84" in diameter.

CAR NUMBERS:

NOKL 318251	NOKL 318287
NOKL 318252	NOKL 318288
NOKL 318253	NOKL 318289
NOKL 318254	NOKL 318290
NOKL 318255	NOKL 318291
NOKL 318256	NOKL 318292
NOKL 318257	NOKL 318293
NOKL 318258	NOKL 318294
NOKL 318259	NOKL 318295
NOKL 318260	NOKL 318296
NOKL 318261	NOKL 318297
NOKL 318262	NOKL 318298
NOKL 318263	NOKL 318299
NOKL 318264	NOKL 318300
NOKL 318265	Count: 50
NOKL 318266	
NOKL 318267	
NOKL 318268	
NOKL 318269	
NOKL 318270	
NOKL 318271	
NOKL 318272	
NOKL 318273	
NOKL 318274	
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