

FIRST UNION RAIL

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

Tel 847 318-7575
Fax 847 318-7588



VIA UPS 2nd DAY AIR

September 24, 2004

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

RECORDATION NO. 22581-JJ FILED
SEP 30 '04 3-40 PM
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 three (3) originals of a Memorandum of Lease Agreement, dated June 21, 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 & Columbia River RR 5300 Broken Sound Blvd., NW Boca Raton, FL 33487</p> |
|--|---|

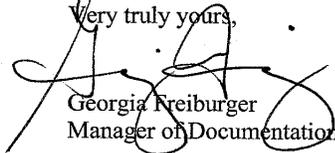
A description of the railroad equipment covered by the enclosed document is eleven (11) 2740 cu. ft., gondola cars, with NOKL marks (see Exhibit A for car numbers).

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) 384-5387. Thank you for your cooperation in this matter.

Very truly yours,


Georgia Freiburger
Manager of Documentation

Enclosures

(CSCD072)

RECORDATION NO. 22581-JT FILED

ASSGN. NO. CSCD072

SEP 30 '04 3-40 PM

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 21st day of June 2004, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Cascade and Columbia River Railroad Co. ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of June 15, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 70 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of January 21, 2004, 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

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

Title: MBR. DF DOCUMENTATION Executed on this 21st day of June, 2004

[CORPORATE SEAL]

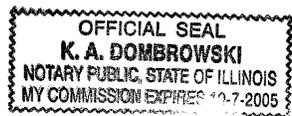
STATE OF ILLINOIS
COUNTY OF COOK

certify that K.A. Dombrowski, a Notary Public of the County and State aforesaid, 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 21st day of June, 2004.

[Signature]
Notary Public

My Commission Expires:
10-7-2005
(Notary Public)



LESSEE:

CASCADE AND COLUMBIA RIVER RAILROAD CO.

By: Sandra K. Franget

Name: SANDRA K. FRANGET

Title: VP - Contracts

ATTEST:

By: Rose Rothstein

Name: ROSE ROTHSTEIN

Title: EXEC. ASST.

Executed on this 16 day of JUNE, 2004

[CORPORATE SEAL]

STATE OF Florida

COUNTY OF Palm Beach

I, **JENNIFER L TAYLOR**, a Notary Public of the County and State aforesaid, certify that Sandra K. Franget 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 16th day of June, 2004

Jennifer L Taylor
Notary Public

JENNIFER L TAYLOR

Commission Expires:

6-26-05
(Notary Public)

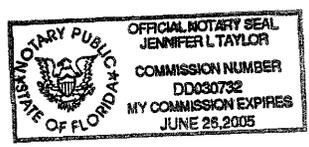


EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Eleven (11)

DESCRIPTION OF CARS: Gondola cars, 52' 6", 2740 cu. ft., 263 GRL

CAR NUMBERS:

NOKL 323081
NOKL 323082
NOKL 323083
NOKL 323112
NOKL 323114
NOKL 323115
NOKL 323118
NOKL 323119
NOKL 323128
NOKL 323157
NOKL 323160
Count: 11