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-NN FILED

OCT 0 4 '04 4-00 PM

SURFACE TRANSPORTATION BOARD

SEP 30 2004 RECEIVED

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

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:

Lessor:	First Union Rail Corporation One O'Hare Center 6250 River Road, Suite 5000 Rosemont, IL 60018	Lessee:	Cascade & Columbia River RR 5300 Broken Sound Blvd., NW Boca Raton, FL 33487

A description of the railroad equipment covered by the enclosed document is thirty-nine (39) 61' bulkhead flat 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

(CSCD084)

RECORDATION NO. 22581-NN FILED

OCT 0 4 '04 4-00 PM

SURFACE TRANSPORTATION BOARD

ASSGN. NO. CSCD084

MEMORANDUM OF LEASE

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. 82 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of October 27, 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

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR

Vice President Sales & Marketing

Title:

Executed on this 21st day of June 2004.

ATTEST:

By:

Name: GEORGIA FREIBURGER

Title: MGR. OF DOCUMENTATION

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, K. A. DOMBROWSKI, 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 21st day of June, 2004.

K. A. Dombrowski

Notary Public

My Commission Expires:

10-7-2005

(Notary Public)

OFFICIAL SEAL
K. A. DOMBROWSKI
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 10-7-2005

LESSEE:

CASCADE AND COLUMBIA RIVER RAILROAD CO.

By: Sandra K. Franger

Name: SANDRA K. FRANGER

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, SHARON A. Hecker, a Notary Public of the County and State aforesaid, certify that SANDRA K. 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 16th day of JUNE, 2004

Sharon A. Hecker
Notary Public

Commission Expires:

NOV. 29 2007
(Notary Public)

SHARON A. HECKER
Notary Public - State of Florida
My Commission Expires Nov 29, 2007
Commission # DD254992
Bonded By National Notary Assn.

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Thirty-nine (39)

DESCRIPTION OF CARS: 61' Bulkhead flat cars

CAR NUMBERS:

NOKL	725003	NOKL	725378
NOKL	725007	NOKL	725379
NOKL	725011	NOKL	725381
NOKL	725012	NOKL	725382
NOKL	725013	NOKL	725386
NOKL	725018	Count:	39
NOKL	725020		
NOKL	725021		
NOKL	725022		
NOKL	725074		
NOKL	725206		
NOKL	725207		
NOKL	725214		
NOKL	725217		
NOKL	725218		
NOKL	725219		
NOKL	725220		
NOKL	725221		
NOKL	725222		
NOKL	725349		
NOKL	725351		
NOKL	725353		
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NOKL	725376		
NOKL	725377		