

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-PP FILED

OCT 04 '04 2-00 PM

SURFACE TRANSPORTATION BOARD

VIA UPS 2nd DAY AIR

September 30, 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:

| | |
|--|---|
| <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 sixty-nine (69) 4750 cu. ft., covered hopper 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

(CSCD079)

RECORDATION NO. 22581-PP FILED

ASSGN. NO. CSCD079

OCT 04 '04 2-00 PM

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. SURFACE TRANSPORTATION BOARD

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. 77 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of April 1, 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: GEORGA FREIBURGER

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

Title: MGR. OF DOCUMENTATION Executed on this 21st day of June 2004

[CORPORATE SEAL]

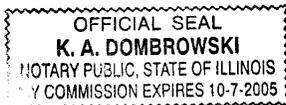
STATE OF ILLINOIS
COUNTY OF COOK

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

[Signature]
Notary Public

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



LESSEE:

CASCADE AND COLUMBIA RIVER RAILROAD CO.

By: Sandra K. Franzen

Name: Sandra K. Franzen

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. FRANZEN 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)

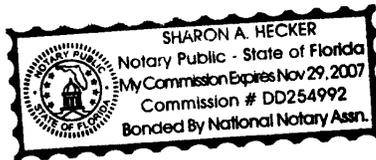


EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Sixty-nine (69)

DESCRIPTION OF CARS: 4750 cu. ft. capacity covered hopper cars with trough hatches and gravity gates.

CAR NUMBERS:

| | |
|-------------|-------------|
| NOKL 52 | NOKL 824145 |
| NOKL 53 | NOKL 824182 |
| NOKL 59 | NOKL 826082 |
| NOKL 66 | NOKL 827387 |
| NOKL 73 | NOKL 828121 |
| NOKL 74 | NOKL 828123 |
| NOKL 101 | NOKL 828125 |
| NOKL 115 | NOKL 828128 |
| NOKL 123 | NOKL 828130 |
| NOKL 3002 | NOKL 828131 |
| NOKL 3003 | NOKL 828132 |
| NOKL 3006 | NOKL 828133 |
| NOKL 3007 | NOKL 828137 |
| NOKL 3021 | NOKL 828139 |
| NOKL 3026 | NOKL 828140 |
| NOKL 3028 | NOKL 828143 |
| NOKL 3035 | NOKL 828144 |
| NOKL 3087 | NOKL 828152 |
| NOKL 3106 | NOKL 828262 |
| NOKL 3128 | NOKL 828410 |
| NOKL 3132 | NOKL 828683 |
| NOKL 3143 | NOKL 828935 |
| NOKL 3154 | NOKL 829017 |
| NOKL 3173 | NOKL 829416 |
| NOKL 3179 | NOKL 830355 |
| NOKL 3200 | NOKL 830571 |
| NOKL 3238 | NOKL 830578 |
| NOKL 3244 | NOKL 830616 |
| NOKL 3248 | NOKL 831245 |
| NOKL 3313 | Count: 69 |
| NOKL 3317 | |
| NOKL 3326 | |
| NOKL 3346 | |
| NOKL 3360 | |
| NOKL 99128 | |
| NOKL 99131 | |
| NOKL 99133 | |
| NOKL 99148 | |
| NOKL 818703 | |
| NOKL 823973 | |