

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. 22581-55 FILED

OCT 04 '04 2-16 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 two (2) originals and one (1) copy 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

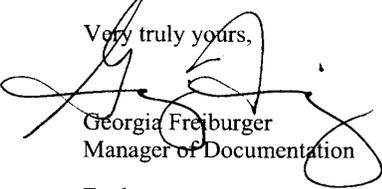
A description of the railroad equipment covered by the enclosed document is twenty (20) 2244/2942 cu. ft., gondola cars, with NOKL marks (see Exhibit A for car numbers).

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

(CSCD076)

RECORDATION NO. 22581-SS FILED

ASSGN. NO. CSCD076

OCT 04 '04 2-16 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. 74 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of March 12, 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: Richard F. Seymour

By: [Signature]

Name: RICHARD F. SEYMOUR

Name: GEORGIA TRENBUCK

Title: Vice President Sales & Marketing

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

[CORPORATE SEAL]

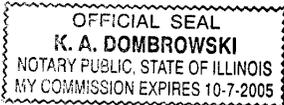
STATE OF ILLINOIS
COUNTY OF COOK

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.

K.A. Dombrowski
Notary Public

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



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

JENNIFER L. TAYLOR

I, JENNIFER L. TAYLOR, 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

Jennifer L. Taylor
Notary Public

JENNIFER L. TAYLOR

Commission Expires:

6-25-05
(Notary Public)

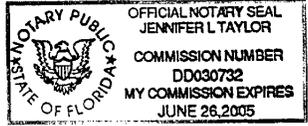


EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Twenty (20)

DESCRIPTION OF CARS: Gondola cars, 52' 6", 2244-2942 cu. ft., 263-268 GRL

CAR NUMBERS:

NOKL 316108
NOKL 316110
NOKL 316111
NOKL 316113
NOKL 316115
NOKL 316127
NOKL 316183
NOKL 316189
NOKL 316193
NOKL 316195
NOKL 316199
NOKL 316202
NOKL 316204
NOKL 316207
NOKL 316208
NOKL 316212
NOKL 316222
NOKL 316226
NOKL 316229
NOKL 316245
Count: 20