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September 27, 2005



Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

RECORDATION NO. 25863 FILED

SEP 28 '05

2-14 PM

SURFACE TRANSPORTATION BOARD

Dear Sir:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Security Agreement dated 6/3/05 including the following parties and railroad equipment:

Secured Party: Wells Fargo Equipment Finance, Inc.
733 Marquette Avenue, Suite 700
Minneapolis, MN 55402

Debtor: Southern Rail Associates, Inc.
523 Turtle Hatch Road
Naples, FL 34103

Equipment: 75, 3010 cf Covered Hoppers
MRMX 130000-130068, 130070-130075

Please record this agreement as a primary document. The filing fee of \$33 is enclosed.
Thank you.

Summary: Memorandum of Security Agreement dated 6/3/05 between Wells Fargo Equipment Finance, Inc. and Southern Rail Associates, Inc. including 75, Covered Hoppers, MRMX 130000-130068, 130070-130075.

Sincerely,

A handwritten signature in cursive script that reads 'Mary Ann Oster'.

Mary Ann Oster
Research Consultant

Enclosures

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MEMORANDUM OF SECURITY AGREEMENT

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") is made this 3rd day of June, 2005, by and between Southern Rail Associates, Inc., a Florida corporation ("Debtor"), and WELLS FARGO EQUIPMENT FINANCE, INC, a Minnesota Corporation ("Secured Party").

A. The Debtor is indebted to the Secured Party pursuant to that certain Promissory Note (s)p dated as of June 1, 2005 (the "Note") executed by the Debtor in favor of the Secured Party.

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B. To secure the Debtor's obligations to the Secured Party, the Debtor executed and delivered to the Secured Party a Loan and Security Agreement dated June 3, 2005 pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, the following collateral:

(a) Seventy Five (75) Covered Hopper Railcars described on Schedule A attached hereto (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;

(b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;

(c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;

(d) all rights, claims and causes of action, if any, which the Debtor may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract of otherwise, in respect of any defect in the Railcars or any part thereof;

(e) all rent, damages and other moneys from time to time payable to or receivable by the Debtor in respect of the Railcars; and

(f) all proceeds (cash and non-cash), including insurance proceeds, settlement proceeds and condemnation awards thereof.

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

Southern Rail Associates, Inc.

Wells Fargo Equipment Finance, Inc.

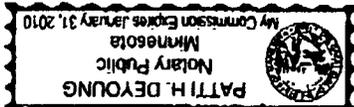
By: *[Signature]*
Its: President

By: *[Signature]*
Its: AVP

STATE OF Minnesota
COUNTY OF Hennepin

On this 8th day of July, 2005, before me, a Notary Public of the City and State aforesaid, personally appeared Jacqueline P Barragan to me personally known, who being by me duly sworn, says that he is the AVP of Wells Fargo Equipment Finance the Minnesota corporation, the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.



My commission expires: 1/31/2010

Patti H. DeYoung
Notary Public



STATE OF FLORIDA
COUNTY OF LEE

On this 22 day of JUNE, 2005, before me a Notary Public of the City and State aforesaid, personally appeared WALTER J. GARDNER to me personally known who being by me duly sworn, says that (he/she) is a PRESIDENT of SOUTHERN RAIL ASSOC., that foregoing instrument is/was signed on behalf of said corporation by authority of its Board of Directors, and (he/she) acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



(Seal)

My commission expires: 4/8/2007

Doyle E. Freeland

Notary Public DOYLE E. FREELAND

Schedule A

Twenty Five (25) 3010 cube, 100 ton covered hopper railcars with 263,000 lb GRL, each car has two pockets with two gates per pocket and round hatches with the following reporting marks:

MRMX 130000 – MRMX 130024, inclusive

Twenty Five (25) 3010 c.f., 100 ton covered hopper railcars built in 1972 by Pullman Standard with 263,000 lb GRL, each car has two pockets with two gates per pocket and round hatches with the following reporting marks:

MRMX 130025 – MRMX 130049, inclusive

Twenty Five (25) 100-ton, 3010 c.f. covered hopper railcars built in 1972 by Pullman Standard with 263,000 lb GRL, each car has two pockets with two gates per pockets and round hatches, bearing the following reporting marks and numbers:

MRMX 130050 – MRMX 130068 and
MRMX 130070-130075