RECORDATION NO. 22581-666 FILED

APR 0 · 06 4-30 PM

SURFACE TRANSPORTATION BOARD

APR 2006 RECEIVED


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***

March 31, 2006

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 March 13, 2006, 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<br>One O'Hare Center<br>6250 River Road, Suite 5000<br>Rosemont, IL 60018 | Lessee: | RailAmerica, Inc.<br>5300 Broken Sound Blvd., NW<br>Boca Raton, FL |

A description of the railroad equipment covered by the enclosed document is two hundred sixty (260) 4750 cubic foot capacity covered hopper cars marked NOKL and PCN (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 $33.00 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) 384-5355. Thank you for your cooperation in this matter.

Very truly yours,

Susan Grokulsky

Susan Grokulsky
Manager of Documentation

Enclosures

(CSCD116)

ASSGN. NO. CSCD116

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 13th day of March, 2006, 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. 110 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of December 1, 2005, 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

Title: VICE PRESIDENT SALES & MARKETING

Executed on this 13th day of March, 2006.

ATTEST:

By: Susan Grokulsky

Name: SUSAN GROKULSKY

Title: MANAGER OF DOCUMENTATION

[CORPORATE SEAL]

RECORDATION NO. 22581-GGG FILED

APR 04 '06 4-30 PM

SURFACE TRANSPORTATION BOARD

STATE OF ILLINOIS

COUNTY OF COOK

I, GEORGIA FREIBURGER, 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 13th day of March, 2006.

Notary Public

My Commission Expires:

5-2008

(Notary Public)

OFFICIAL SEAL
GEORGIA FREIBURGER
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 5-18-2008

**LESSEE:**

CASCADE AND COLUMBIA RIVER RAILROAD CO.

By: Sandra K. Franger

Name: Sandra K. Franger

Title: VP - Contracts

ATTEST:

By: David McCloud

Name: David McCloud

Title: Manager - Fleet

Executed on this 21st day of December, 2005.

[CORPORATE SEAL]

STATE OF FLORIDA

COUNTY OF PALM BEACH

I, KRISTIN I DUNLAP, a Notary Public of the County and State aforesaid, certify that SANDRA K. FRANGER personally appeared before me this day and acknowledged ~~his~~ her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 21st day of Dec., 2005.

Kristin I Dunlap

Notary Public

Commission Expires:

12.27.09

(Notary Public)

PERSONALLY KNOWN: ✓

PRODUCED I.D.: —

Notary Public State of Florida
Kristin Dunlap
My Commission DD486175
Expires 12/27/2009

**EXHIBIT A to MEMORANDUM OF LEASE**

NUMBER OF CARS: Two hundred sixty (260)

DESCRIPTION OF CARS: 4750 cubic foot capacity covered hopper cars, 263,000 TWR.

CAR NUMBERS:

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| NOKL | 822481 | PCN | 001043 | PCN | 001091 | PCN | 001139 | PCN | 463028 | PCN | 463094 |
| NOKL | 822485 | PCN | 001044 | PCN | 001093 | PCN | 001140 | PCN | 463029 | PCN | 463096 |
| NOKL | 822501 | PCN | 001045 | PCN | 001094 | PCN | 001141 | PCN | 463030 | PCN | 463097 |
| NOKL | 827353 | PCN | 001047 | PCN | 001095 | PCN | 001142 | PCN | 463031 | PCN | 463099 |
| PCN | 001001 | PCN | 001048 | PCN | 001096 | PCN | 001143 | PCN | 463032 | PCN | 463100 |
| PCN | 001002 | PCN | 001049 | PCN | 001097 | PCN | 001145 | PCN | 463033 | PCN | 463102 |
| PCN | 001003 | PCN | 001050 | PCN | 001098 | PCN | 001146 | PCN | 463034 | PCN | 463106 |
| PCN | 001004 | PCN | 001051 | PCN | 001099 | PCN | 001147 | PCN | 463038 | PCN | 463107 |
| PCN | 001005 | PCN | 001052 | PCN | 001100 | PCN | 001148 | PCN | 463040 | PCN | 463108 |
| PCN | 001006 | PCN | 001053 | PCN | 001101 | PCN | 001149 | PCN | 463041 | PCN | 463109 |
| PCN | 001007 | PCN | 001054 | PCN | 001103 | PCN | 001150 | PCN | 463042 | PCN | 463110 |
| PCN | 001008 | PCN | 001055 | PCN | 001104 | PCN | 001151 | PCN | 463043 | PCN | 463111 |
| PCN | 001009 | PCN | 001056 | PCN | 001105 | PCN | 001152 | PCN | 463045 | PCN | 463112 |
| PCN | 001010 | PCN | 001057 | PCN | 001106 | PCN | 001153 | PCN | 463046 | PCN | 463113 |
| PCN | 001011 | PCN | 001058 | PCN | 001107 | PCN | 001154 | PCN | 463048 | PCN | 463115 |
| PCN | 001012 | PCN | 001059 | PCN | 001108 | PCN | 001155 | PCN | 463050 | PCN | 463116 |
| PCN | 001013 | PCN | 001060 | PCN | 001109 | PCN | 001156 | PCN | 463051 | PCN | 463117 |
| PCN | 001014 | PCN | 001061 | PCN | 001110 | PCN | 001157 | PCN | 463052 | PCN | 463118 |
| PCN | 001015 | PCN | 001062 | PCN | 001111 | PCN | 001158 | PCN | 463057 | PCN | 463119 |
| PCN | 001016 | PCN | 001063 | PCN | 001112 | PCN | 001159 | PCN | 463058 | PCN | 463120 |
| PCN | 001017 | PCN | 001064 | PCN | 001113 | PCN | 001160 | PCN | 463061 | PCN | 463123 |
| PCN | 001018 | PCN | 001065 | PCN | 001114 | PCN | 001161 | PCN | 463062 | PCN | 463126 |
| PCN | 001019 | PCN | 001066 | PCN | 001115 | PCN | 001162 | PCN | 463064 | PCN | 463128 |
| PCN | 001020 | PCN | 001067 | PCN | 001116 | PCN | 001163 | PCN | 463065 | PCN | 463129 |
| PCN | 001021 | PCN | 001068 | PCN | 001117 | PCN | 001164 | PCN | 463066 | PCN | 463130 |
| PCN | 001022 | PCN | 001069 | PCN | 001118 | PCN | 001165 | PCN | 463067 | PCN | 463131 |
| PCN | 001023 | PCN | 001070 | PCN | 001119 | PCN | 463000 | PCN | 463070 | PCN | 463132 |
| PCN | 001024 | PCN | 001071 | PCN | 001120 | PCN | 463001 | PCN | 463072 | PCN | 463136 |
| PCN | 001025 | PCN | 001072 | PCN | 001122 | PCN | 463006 | PCN | 463073 | PCN | 463137 |
| PCN | 001027 | PCN | 001073 | PCN | 001123 | PCN | 463008 | PCN | 463074 | PCN | 463138 |
| PCN | 001028 | PCN | 001074 | PCN | 001124 | PCN | 463009 | PCN | 463075 | PCN | 463139 |
| PCN | 001029 | PCN | 001075 | PCN | 001125 | PCN | 463010 | PCN | 463077 | PCN | 463141 |
| PCN | 001030 | PCN | 001076 | PCN | 001126 | PCN | 463011 | PCN | 463078 | PCN | 463142 |
| PCN | 001031 | PCN | 001077 | PCN | 001127 | PCN | 463012 | PCN | 463079 | PCN | 463143 |
| PCN | 001032 | PCN | 001078 | PCN | 001128 | PCN | 463013 | PCN | 463080 | PCN | 463144 |
| PCN | 001033 | PCN | 001079 | PCN | 001129 | PCN | 463014 | PCN | 463081 | Count: | 260 |
| PCN | 001034 | PCN | 001080 | PCN | 001130 | PCN | 463015 | PCN | 463082 | | |
| PCN | 001035 | PCN | 001081 | PCN | 001131 | PCN | 463017 | PCN | 463084 | | |
| PCN | 001036 | PCN | 001082 | PCN | 001132 | PCN | 463018 | PCN | 463085 | | |
| PCN | 001037 | PCN | 001083 | PCN | 001133 | PCN | 463021 | PCN | 463086 | | |
| PCN | 001038 | PCN | 001085 | PCN | 001134 | PCN | 463022 | PCN | 463087 | | |
| PCN | 001039 | PCN | 001087 | PCN | 001135 | PCN | 463024 | PCN | 463090 | | |
| PCN | 001040 | PCN | 001088 | PCN | 001136 | PCN | 463025 | PCN | 463091 | | |
| PCN | 001041 | PCN | 001089 | PCN | 001137 | PCN | 463026 | PCN | 463092 | | |
| PCN | 001042 | PCN | 001090 | PCN | 001138 | PCN | 463027 | PCN | 463093 | | |