

Trapline, LLC and Lumen Park, LLC
1113 W. Fireweed #202
Anchorage, Alaska 99503
(907) 277-2663

12/7/11

Jim Kubitz, Vice President
327 W. Ship Creek Ave.
Anchorage, Alaska 99501

Dear Jim,

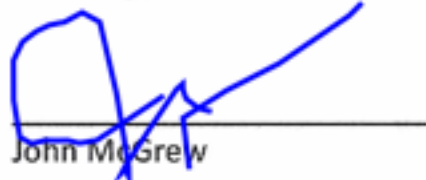
Thanks for meeting with us today to discuss real estate opportunities on Alaska Railroad land in Anchorage, Fairbanks, and Whittier.

As multi-family housing developers, we are very much interested in pursuing opportunities with the Railroad but we would be stymied by the 55 year lease term stipulation.

A longer ground lease term of 95 years would allow building owners to invest in maintaining their property over a longer period of time, matching the complete economic life of a building more closely to the ground lease term.

We hope the Alaska Railroad and the Alaska Legislature recognize that the 55 year lease term is out of step with the current lease market and is an impediment to Railroad land development.

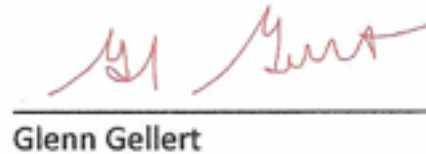
Sincerely,



John McGrew



Ron Bateman



Glenn Gellert