

LAW OFFICE OF
LEE C. KRAUSE
FOSTER BUILDING
109 Ninth Street
Honesdale, PA 18431
570-253-2520 - FAX: 570-253-7896

COPY

June 6, 2019

Myles Group
256 Eagleview Boulevard
PMB 261
Exton, Pennsylvania 19341

Attn: A.T. (Tom Myles)

RE: Bucks Cove Road and Gun Club

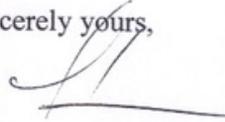
Dear Mr. Myles:

This is to advise you that I represent the interests of Bucks Cove Rod and Gun Club. The property which they own is subject to a right-of-way of the railroad which right-of-way was originally granted in 1837. This right-of-way is for railroad purposes only and for the construction and/or repair of said railroad through the land currently owned by Bucks Cove Rod and Gun Club. All other uses of the right-of-way are reserved to the owners.

It is the position of Bucks Cove Rod and Gun Club that any additional proposed uses such as trails, walks, bike-ways, parks, etc., are not consistent with the right-of-way document and therefore are not permitted. Any proposed use other than for railroad purposes will be in violation of the right-of-way and Bucks Cove Rod and Gun Club will seek to enforce the terms and conditions as outlined above.

Please take this into consideration with regards to any future plans you may have with regards to the land in question. I remain,

Sincerely yours,



LEE C. KRAUSE, ESQUIRE

LCKbn

cc: Buck Cove Rod and Gun Club

18-k-2260
RW318QC (07/95)

No. 820132-D

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION



FID No.	23-2008846
County	Wayne and Pike
Federal Project No.	
USRA Line No.	1238
Claim No.	
Grantee	Lackawaxen-Honesdale Shippers Association

QUIT CLAIM DEED

Made on January 28, 2003 between the Commonwealth of Pennsylvania, Department of Transportation (hereinafter called the GRANTOR), and Lackawaxen-Honesdale Shippers Association (hereinafter, whether singular or plural, called the GRANTEE),

WITNESSETH, That in consideration of Four Hundred Ninety Two Thousand dollars (\$492,500.00), in hand paid, the receipt whereof is hereby acknowledged, the said GRANTOR does hereby release and quitclaim to the said GRANTEE

- the premises described in "Exhibit A," made a part hereof,
- the premises designated by hatching on the map attached hereto and made a part hereof,

determined by the GRANTOR, in accordance with Section 7(a)(3) of the Rail Freight Preservation and Improvement Act, to be appropriate for sale for non-continued rail use.

BEING the premises heretofore

known as USRA Line Number 1238, the Honesdale Branch, in Pike and Wayne Counties, between milepost 110.26 at Lackawaxen, Pennsylvania and milepost 135.0 at Honesdale, Pennsylvania, conveyed by the Erie Lackawanna Railway Company, to the Commonwealth, Department of Transportation, by Settlement Agreement, Commonwealth Agreement No. 72225, dated June 15, 1982, and the plan of the general location recorded in the office for the recording of deeds, etc., in Wayne County, Pennsylvania in Map Book 5A, Page 30, and recorded in the office for the recording of deeds, etc., in Pike County, Pennsylvania, in Map Book 2, Page 20.

200300001651
 Exempt Status - N
 STATE TAX \$ 4925.00
 LOCAL TAX \$ 4925.00
 \$ 295.50 HAWLEY BOROUGH
 \$ 295.50 WALLENSPAUPACK AREA SCHOOL
 \$ 221.63 PALMYRA TOWNSHIP
 \$ 221.62 WALLENSPAUPACK AREA SCHOOL
 \$ 1945.38 HONESDALE BOROUGH
 \$ 1945.37 WAYNE HIGHLANDS SCHOOL

200300001651
 Filed for Record in
 WAYNE COUNTY, PA
 GINGER GOLDEN
 02-11-2003 At 11:29 am.
 DEED 28.50
 STATE TAX 4925.00
 LOCAL TAX 4925.00
 OR Volume 2165 Page 158 - 160

I hereby CERTIFY that this document is recorded in the Recorder's Office of Wayne County, Pennsylvania.

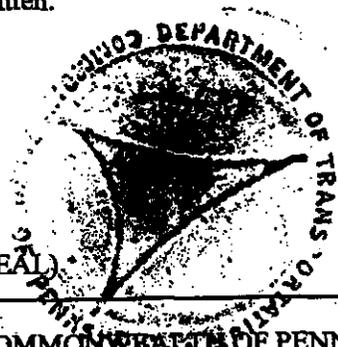


Ginger Golden

Ginger Golden
Recorder of Deeds

RW318QC

IN WITNESS WHEREOF said GRANTOR has hereunto set its hand and seal, the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF TRANSPORTATION

BY Pt JH 1/28/03
Deputy Secretary of Transportation

COMMONWEALTH OF PENNSYLVANIA :
: SS
COUNTY OF DAUPHIN :

On January 28, 03, before me, the undersigned officer, personally appeared Pete Tartline,
~~XXXXXX~~ who acknowledged herself to be Deputy Secretary of Transportation of the Commonwealth of Pennsylvania,
and that she, as such Deputy Secretary of Transportation, being authorized to do so, executed the foregoing instrument
for the purposes therein contained.

Notarial Seal
Jeanne Sears, Notary Public
Harrisburg, Dauphin County
My Commission Expires Mar. 20, 2004

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Jeanne Sears
Notary Public
My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA :
: SS
COUNTY OF :

Recorded in the Office for Recording of
Deeds in and for aforesaid county in
Deed book Vol. .
Page.

Witness my hand and seal of Office
on

Recorder of Deeds

I certify that, upon recording, the within instrument
should be mailed to GRANTEE at:

Lackawaxen-Honesdale Shippers Association
C/o Shepstone Management Company
100 Fourth Street
Honesdale, PA 18431

JMS

GRANTEE

I hereby Cert The precise
ADDRESS of GRANTEE IS

Approved as to Form and Legality
By W. J. Ch 1/29/03
Assistant Chief Counsel

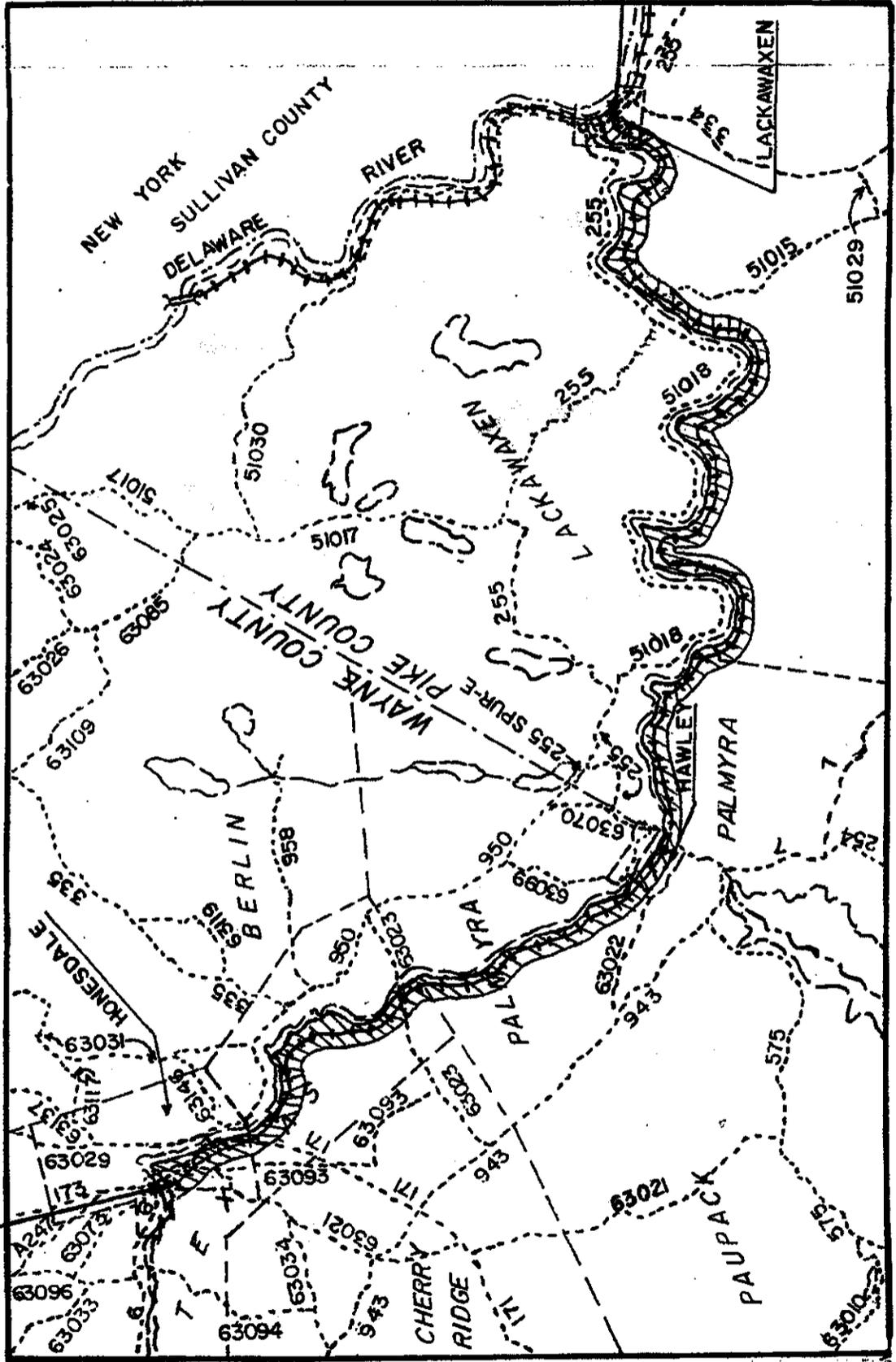
Carrier Surface Transportation Assistance Act, No 10 of 1976, P.L. 14(55 P.S. 659) and Section 402(b)(3) of the Eminent Domain Code of 1964 as amended.

END ACQUISITION
MILE POST 135.00
HONESDALE BORO.
WAYNE COUNTY

Instrument 20030001651 OR 2165
Volume Page 169

Appendix I2-3

Requested By: dtw_planning 12/27/2018



BEGIN ACQUISITION
MILE POST 110.26
LACKAWAXEN TWP.
PIKE COUNTY

LOCATION MAP

SPALL, RYDZEWSKI, ANDERSON, LALLEY & TUNIS, P.C.
ATTORNEYS AT LAW

2573 RT 6
HAWLEY, PA 18428
570-226-6229
fax 570-226-0889
jfs@poconolawyers.net

JOHN F. SPALL, ESQUIRE,
LEATRICE A. ANDERSON, ESQUIRE*
KYLE KRAJKOVICH, ESQUIRE

JOSEPH R. RYDZEWSKI, ESQUIRE
JOHN D. LALLEY, ESQUIRE
MARK G. TUNIS, ESQUIRE

*also member of New Jersey bar

November 6, 2019

Thomas Shepstone
Shepstone Management Company, Inc.
100 Fourth Street, Suite 33
Honesdale, PA 18431

Re: Stourbridge Railroad Crossing and Bucks Cove Rod and Gun Club

Dear Tom,

We have reviewed the documents that we were able to locate or have been made available. Please note that we have not had access to a complete title examination. From the documents that we reviewed, the following is our opinion, subject to any documents that may be made available in the future.

In light of the above, we believe that the railroad was originally granted a right of way and in some cases ownership of some portions of railroad without restriction of use as to the area defined in your request. In the deeds we have reviewed, the area given to the railroad by easement is commonly referred to as simply a "right-of-way", with no limiting language that the area be used for rail-road purposes only. Pennsylvania courts have ruled that generally, easements must adhere to the intended use at the time of creation of the easement. However, there is an allowance for the natural expansion of use. A common example would be rights-of-way for horse transport being later used for motor vehicle transport. The test in these cases is whether the change or expansion is reasonable.

The Successor railroad filed bankruptcy in the 1960s, and eventually the State of Pennsylvania became the owner of the property together with all rights and privileges. As we are aware, prior to the State taking title, the Trustee sold various lengths of the railroad to private purchasers for personal uses. The remaining lands of the railroad and easement were conveyed to the state who then conveyed the section from Honesdale to Lackawaxen to Lackawaxen-Honesdale Shippers Association.

In the deed from the State, a notation is made to Section 7(a)(3) of the Rail Freight Preservation and Improvement Act. The section states, in summary that "If the event the department determines that there is no continued need for operation of a railroad on any rail properties, or other properties

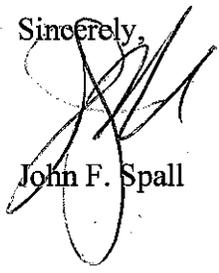
acquired under these provisions.... The department may sell, transfer, etc., to any responsible person, firm, corporation, etc., for any worthwhile purpose..." This section appears to state that if the Department determines no further usage of the rails is required, then no restriction is placed on the usage. That appears to be the case in this situation, as the deed from the state does not include any restrictions for railroad purposes on the right-of-way.

In the alternative, the State of Pennsylvania and the United States government have allowed a practice called railbanking to take place, which would allow the right-of-way to be transformed into a trail or other usage, but still maintain the ability of a railroad to operate in the event the tracks needed to be used again.

This opinion is conditioned upon the belief that a deed referenced by Attorney Lee Krause is not in existence. Attorney Krause, in his capacity as counsel for Bucks Cove Rod and Gun Club, asserts that he has in his possession a document that states the right-of-way through the property owned by Bucks Cove shall only be used for railroad purposes only and for the construction and/or repair of same. He states that all other uses of the right-of-way are reserved to the owners. He further states that any proposed use other than for railroad purposes is a violation, and Bucks Cove will seek to enforce the terms. However, there is a deed recorded from 1837 which mentions a right of way through the lands of Farnham, a previous owner. That right-of-way is only for the canal. There is no mention of a railroad. We have not been able to find the document that Attorney Krause references, and he has not provided the same after repeated attempts to do so.

As a result of the history and documents reviewed, it would appear that the area owned by the railroad can be used for other purposes.

Sincerely,

A handwritten signature in black ink, appearing to be "John F. Spall", written over the typed name.

John F. Spall