



**Chautauqua, Cattaraugus, Allegany & Steuben Counties**

# **Southern Tier Extension Railroad Authority**

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**"This institution is an equal opportunity organization"**  
**John Margeson, Chairman**

## **Property Disposition Report for the year ending December 31, 2011**

### **1. Notes on Authority to Dispose of Real Property and Setting Parcel Value and Sale Price:**

All real property parcels comprising the Southern Tier Extension Line were acquired in 2001 by the Authority for a total of \$1.00 in a single transaction from Pennsylvania Lines LLC (Norfolk Southern Corporation's subsidiary real property holding company, which has since been absorbed by Norfolk Southern Corporation). The terms of this transaction provide that the Authority is in title to these parcels for a period of years, with the subsequent eventual reversion of the real estate parcels to Pennsylvania Lines LLC. Additionally, the terms of this transaction vest the exclusive authority for real property transactions involving these parcels in Norfolk Southern Corporation; the Southern Tier Extension Railroad Authority has no legal authority to unilaterally dispose of or transfer property, or to set the price for property disposed of or transferred, without the approval and direction of Norfolk Southern Corporation.

Additionally, all real property parcels comprising the Buffalo Line were acquired in 2007 by the Authority for a total of \$1.00 in a second single transaction from Pennsylvania Lines LLC (Norfolk Southern Corporation's subsidiary real property holding company). The terms of this transaction provide that the Authority is in title to these parcels for a period of years, with the subsequent eventual reversion of the real estate parcels to Pennsylvania Lines LLC. Additionally, the terms of this transaction vest the exclusive authority for real property transactions involving these parcels in Norfolk Southern Corporation; the Southern Tier Extension Railroad Authority has no legal authority to unilaterally dispose of or transfer property, or to set the price for property disposed of or transferred, without the approval and direction of Norfolk Southern Corporation.

Accordingly, the Southern Tier Extension Railroad Authority does not have the ability to sell any of the real property to which it is title or to unilaterally set the price or terms for any parcel sold.

### **2. Real Property Dispositions during the year ended December 31, 2011**

Per item #1 above, the Authority did not sell or otherwise dispose of any real property during the year ended December 31, 2011.

### **3. Personal Property**

STERA owned no personal property during 2011. Additionally, STERA undertook no personal property transactions (i.e., procurements or dispositions) during the year ended December 31, 2011.