

EXHIBIT 1
PRIVATE ROAD ACCESS EASEMENT
and
SHARED ROAD MAINTENANCE AGREEMENT
for
KENNEDY SHORES LANE

Auction Tracts 1-8

This Private Road Access Easement and Shared Road Maintenance Agreement for Kennedy Shores Lane (the "Road Easement") is executed by **FRANKLIN REAL ESTATE COMPANY** ("Franklin"), to be indexed both as a Grantor and as a Grantee, as the current owner of the real estate comprising 36 total acres, more or less, and being more particularly described as Tracts 1-8, on that certain Plat of Kennedy Shores, located in Union Hall Magisterial District, Franklin County, Commonwealth of Virginia, prepared by Robert C. Jeans, Virginia Land Surveyor No. 1564, dated _____ attached hereto as **Exhibit A** (collectively, the "Tracts 1-8"), and by each of the subsequent initial owners of Tracts 1 – 8 respectively (herein sometimes referred to as the "Owner(s)", whether individually or collectively).

WHEREAS, Tracts 1-8 are situated along a private road generally known as Kennedy Shores Lane which serves as access to and from Alpine Drive, a State-maintained road and/or has a private road crossing it which provides access to other parcels; and

WHEREAS, Franklin may hereafter convey all or part of the Tracts 1-8 by one or more deeds to the different parties named in such deeds or named herein which will be subject to this Road Easement.

NOW, THEREFORE, Franklin hereby declares that, from and after the date of recording of this Road Easement, the Easement Corridor (as defined below) shall be subject to the easement and benefits and obligations described herein, and Tracts 1-8 shall be benefited by and subject to the covenants and obligations described herein, all in accordance with the following terms and conditions:

1. **Establishment of Easement; Easement Corridor.** Effective as of the date of recording, the easement and obligations described in this Road Easement are hereby created, established, granted and reserved for the uses and purposes described herein with respect to a 50-foot wide easement corridor described and depicted in the attached **Exhibit B** (the "Easement Corridor").

2. **Purpose and Nature of Easement.** From and after the date of recording, and subject to the terms and conditions of this Road Easement, the Easement Corridor shall be subject to a perpetual, non-exclusive, private easement for the right of ingress and egress for pedestrian and vehicular traffic, and for the installation, use and maintenance of Improvements and Utilities (as defined herein), all in accordance with and subject to the terms and conditions of this Road Easement.

3. **Tracts 1-8.** This Road Easement is solely for the benefit of Tracts 1-8 existing at the time of recording of this document. Kennedy Shores Lane is a private road which is the main access to and from Tracts 1-8 and Alpine Drive, a State-maintained road. Each initial subsequent owner of Tracts 1-8 shall be granted an easement to use Kennedy Shores Lane in accordance with this Road Easement for

ingress and egress over Kennedy Shores Lane for access to and from (and for the benefit of) the tract of land such Owner purchases during the auction. Likewise, each Owner of any other of Tracts 1-8 shall also be granted an easement to use Kennedy Shores Lane in accordance with this Road Easement for ingress and egress over Kennedy Shores Lane, which may be reserved in the deed from Franklin to each Owner and shall benefit and/or burden the tract purchased by such parties. All Owners of Tracts 1-8 covenant and agree that each property owner along Kennedy Shores Lane shall have the unobstructed right of ingress and egress over Kennedy Shores Lane to and from their respective tracts.

4. **Improvements.** The Owners of Tracts 1-8 shall have the right, individually or collectively, to construct, improve, use and maintain Improvements within the Easement Corridor. For purposes of this Road Easement, the term “Improvements” refers to improvements currently existing and/or hereafter constructed or installed within the Easement Corridor as may be necessary, appropriate or convenient to enable or facilitate the passage of pedestrians and vehicles through the Easement Corridor. Within the parameters of the foregoing definition, the term “Improvements” may include without limitation: (i) an improved driveway or road within the Easement Corridor; (ii) improved road entrance(s) at the intersection(s) of the Easement Corridor and Alpine Drive (the public road); (iii) ditches crossing(s), culvert(s) and/or other drainage improvement(s) within the Easement Corridor; and/or (iv) leveling, clearing and/or other improvements to and/or maintenance of the land within the Easement Corridor. Improvements specifically excludes the construction of a gate or other barrier to the entrance from the public road. Cundiff Cemetery (a private cemetery located on Auction Tract 2), and Poindexter Cemetery (a private cemetery located on Auction Tract 3) are located contiguous to the Easement Corridor and have a pre-existing private right of access.

5. **Utilities.** The Easement Corridor may also be used for the installation, extension, use, maintenance, improvement and/or replacement of utility lines and related improvements and facilities for the delivery of public utility and/or communication services to Tracts 1-8 (subject to availability), including: (a) facilities owned and/or controlled by a public, quasi-public and/or municipal provider of utility and/or communication services (hereafter “Utility Company”); and/or (b) other facilities by which one or more owners of Tracts 1-8 are connected to and served by the facilities of a Utility Company (collectively, “Utilities”). Notwithstanding any other provision, any amendment to this Road Easement shall not operate to deprive any Utility Company, without its written consent, of the use of any part of the Easement Corridor that is being used by such Utility Company pursuant to this Road Easement at the time of such amendment.

6. **Maintenance.**

(a) As used herein, the term “Maintenance” refers to work that is reasonably necessary to maintain Kennedy Shores Lane and the Easement Corridor in a safe and passable condition for reasonably foreseeable uses by pedestrians and vehicles, subject to the provisions of Subsection 6(d) and Section 7 below. Within the parameters of the foregoing definition, Maintenance may include, without limitation, construction or installation of new improvements, maintenance and/or repairs of existing improvements and/or general maintenance of and/or improvements to the land comprising the Easement Corridor.

(b) All Maintenance and other work shall be performed and completed in a good and workmanlike manner and as expeditiously as possible in accordance with good construction practice, taking all reasonable measures to prevent injury to person or damage to property. All Maintenance and other work shall be performed in a manner that minimizes, to the extent possible, the disruption of the

use of Kennedy Shores Lane and/or the Improvements in the Easement Corridor for the purposes described herein. All Maintenance and other work shall include the restoration of surrounding areas disturbed or affected by the maintenance, including grading and seeding and the removal and proper disposal of unused materials and displaced trees and brush. The private driveways of the Owners are not covered by this agreement and shall be the sole responsibility of each Owner.

(c) The costs of any Maintenance shall be shared by the Owners of Tracts 1-8 as provided herein. The Owner(s) of each of the Tracts 1-8 shall be responsible for a share of the costs of any Maintenance equal to the total amount of such costs multiplied by the total number of the tracts owned by such Owner at the time the work is performed and divided by 8. Notwithstanding the foregoing, if an Owner or such Owner's agent, contractor or invitee negligently or intentionally damages the Improvements, then such Owner shall be required to repair such damage at his or her sole cost.

(d) Notwithstanding the foregoing provisions, the Owners of a majority of Tracts 1-8 may agree in writing that any particular work or proposed work does or does not constitute Maintenance and any such agreement shall be conclusive and binding on all parties (subject to the provisions of Section 7 below). In the absence of such an agreement, the buyer(s)/owner(s) of any one or more of Tracts 1-8 may proceed with work at their own risk and expense, and may request the other Owners of Tracts 1-8 to contribute to the cost of work upon a proper showing that the work is or was reasonably necessary to maintain the Easement Corridor in a safe and passable condition for reasonably foreseeable uses by pedestrians and vehicles.

7. **Other Work.** Work within the Easement Corridor that does not constitute Maintenance but is otherwise authorized pursuant to the terms of this Easement ("Other Work") may be performed by the Owner(s) of one or more of Tracts 1-8, or their contractor(s), if such Owner(s) pay(s) or agree(s) to pay the cost thereof. The Owner(s) of any of the other Tracts 1-8 shall not be required to contribute to the costs of Other Work unless otherwise agreed by such Owner(s) in writing. However, after the performance of Other Work, the cost of thereafter maintaining the Easement Corridor, including any upgrades or improvements, shall be shared in accordance with and subject to the terms and conditions of this Easement. Notwithstanding any other provision, the construction or installation of a paved surface on a previously unpaved road or driveway shall constitute "Other Work" for purposes of this Easement and shall not constitute Maintenance.

8. **Expenses.** The cost of maintaining said private road shall be paid by the Owner(s) of Tracts 1-8. An initial fee of \$1,000.00 per tract shall be paid by each Owner of Tracts 1-8, at closing, to Woltz & Associates, Inc., to be held in escrow pending the election of a custodian, and creation of a road maintenance fee account. Woltz & Associates, Inc. shall act as the initial custodian of the road maintenance fee account. During the calendar year of 2016, the Owner(s) of Tracts 1-8 agree to elect a custodian from among the pool of Owners of Tract 1-8. Each Owner shall have one (1) vote for each tract he or she owns. Upon election of the custodian, the funds collected from closings by the Woltz & Associates, Inc. will be disbursed to the elected custodian for deposit into the road maintenance fee account. The custodian so elected shall serve until a successor custodian is elected by majority vote of the Owners of Tracts 1-8. Each Owner shall pay an additional annual fee of \$1,000 per tract on or before January 1, 2017, and on or before each January 1st thereafter into the road maintenance fee account for Maintenance. In the event additional money is needed to maintain or improve the private road, a majority vote of all Owners must agree in writing for any additional assessment over and above the \$1,000.00 annual fee. The custodian of the road maintenance account will be responsible for collecting and disbursing monies from the road maintenance fee account, and preparing and distributing

to the Owners of Tracts 1-8 an annual income and expense report and a year-end balance sheet accounting for all funds received and disbursed. In the event it is necessary to take legal action to enforce any term of Road Easement, the prevailing party shall be entitled to collect reasonable attorney's fees. No refunds are payable from the road maintenance fee account unless authorized by a majority vote of the Owner(s) of Tracts 1-8, and then only on a pro-rata basis based on the projected surplus of funds above the reasonably anticipated annual expenses for the next two (2) years.

9. **Effect of Easement.** This Road Easement shall be effective as of the date of recording, it shall be perpetual, it shall run with the land, and shall be binding upon the Owners and future Owners of Tracts 1-8 including, without limitation, their heirs, personal representatives, successors and assigns. The subsequent conveyances of the Tracts 1-8 should include a reference to this Road Easement; however this Road Easement shall be effective automatically, as of the date of recording, with or without any such further reference and with or without any further grant or reservation in any deed. The Road Easement is not dedicated to public use.

10. **Amendment/Termination of Easement.** This Road Easement may only be amended or terminated by a written instrument executed by all of the Owners of Tracts 1-8. Franklin reserves the right to amend, restate, terminate or otherwise modify this Easement at any time prior to the first date of recording, or thereafter prior to the conveyance of the first of Tracts 1-8 to a subsequent Owner

11. **Franklin's Responsibility.** Franklin shall have no responsibility to contribute to the cost of constructing or maintaining Kennedy Shores Lane, or making any improvements in the Easement Corridor. It is the intention of the parties hereto that each Owner of Tracts 1-8 shall be individually responsible for performance of all duties and obligations hereunder.

12. **Counterparts.** This Road Easement may be executed in two (2) or more counterparts, each of which shall be determined to be an original, and which shall constitute one and the same Road Easement. Each party to whom Franklin subsequently initially conveys one or more of Tracts 1-8 shall also execute this Road Easement, but this Road Easement is hereby declared to be legally effective and binding upon each Owner in the absence of such signature(s).

Signed this _____ day of _____, 20__.

FRANKLIN REAL ESTATE COMPANY

By: _____
P. Todd Ireland, Manager
Real Estate Asset Management
American Electric Power Service Corporation
Authorized Signer

STATE OF _____)
) SS:
COUNTY OF _____)

Before me, the undersigned, a Notary Public in and for said County and State, this _____ day of _____, 20__ personally appeared P. Todd Ireland, Manager, Real Estate Asset Management, American Electric Power Service Corporation, as Authorized Signer for Franklin Real Estate Company, a Pennsylvania corporation, on behalf of the corporation. In witness whereof, I have hereunto subscribed my name and affixed my official seal.

My commission expires: _____ Signature: _____

County of Residence: _____ Print: _____

EACH BUYER'S SIGNATURE BLOCK SHALL BE ADDED TO THIS ROAD EASEMENT AS CLOSINGS OCCUR.