

BEFORE THE
SURFACE TRANSPORTATION BOARD

247256

FD 36279

ENTERED
Office of Proceedings
March 7, 2019
Part of
Public Record

VERIFIED NOTICE OF EXEMPTION

OF

SJRE – RAILROAD SERIES, A SERIES WITHIN SAN JACINTO REAL ESTATE, A
SERIES LLC

PURSUANT TO 49 C.F.R. §1150.31

Submitted By:

R. Blake Runions
Mary Anna H. Rutledge
PORTER HEDGES LLP
1000 Main Street, 36th Floor
Houston, Texas 77002-6341
Telephone: (713) 226-6000
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ATTORNEYS FOR SJRE – RAILROAD
SERIES, a series within SAN JACINTO
REAL ESTATE, a series LLC

Dated: March 7, 2019

FILED
March 7, 2018
SURFACE
TRANSPORTATION BOARD

FEE RECEIVED
March 7, 2019
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36279

VERIFIED NOTICE OF EXEMPTION

OF

SJRE – RAILROAD SERIES, A SERIES WITHIN SAN JACINTO REAL ESTATE, A
SERIES LLC

PURSUANT TO 49 C.F.R. §1150.31

SJRE – Railroad Series, a series within San Jacinto Real Estate, a series LLC formed under the laws of the State of Texas (“SJRE Railroad”), a non-carrier, files this Notice of Exemption pursuant to 49 C.R.F. Part 1150, Subpart D—Exempt Transactions—to permit SJRE Railroad to assume the operating rights of a certain line of railroad located in the city of Houston, Texas, County of Harris, State of Texas. The line is located within the San Jacinto River and Rail Park, 18511 Beaumont Highway, Houston, Texas (the “Line”). It is located at milepost 344-346 on the Lafayette Subdivision of the UP/BNSF line, Houston, Harris County, Texas. SJRE Railroad is the owner of the San Jacinto River and Rail Park. A map illustrating the Line is attached hereto as Exhibit A. SJRE Railroad will interline with both the Union Pacific Railroad and the Burlington Northern Santa Fe Railway as noted on Exhibit A.

In support of this Notice of Exemption, SJRE Railroad submits the following information as required by C.F.R. §1150.33:

a) Full name and address of applicant:

SJRE – Railroad Series, a series within San Jacinto Real Estate, a series LLC
18511 Beaumont Highway
Houston, Texas 77049

b) Applicant's Representative:

R. Blake Runions
Porter Hedges LLP
1000 Main Street
36th Floor
Houston, Texas 77002
(713) 226-6000

c) Statement of Agreement

SJRE Railroad will enter into an operating agreement prior to operations.

d) The Operator of the property:

SJRE Railroad will be the operator of the Line.

e) A Brief Summary of the Proposed Transaction:

- 1) The name and address of the railroad leasing the subject property:
SJRE – Railroad Series, a series within San Jacinto Real Estate, a series LLC
18511 Beaumont Highway
Houston, Texas 77049
 - 2) The involved transaction is expected to be consummated on or sometime after this Notice of Exemption becomes effective.
 - 3) The operation will be for the six miles (33,000) feet within the San Jacinto River and Rail Park, 18511 Beaumont Highway, Houston, Texas as shown on Exhibit A.
 - 4) The length of the Line is approximately six (6) miles.
- f) A map of the Line that will be operated by SJRE Railroad is attached as Exhibit A.
- g) SJRE hereby certifies that this transaction will not result in SJRE Railroad becoming a Class II or Class I rail carrier. Upon consummation of this transaction, SJRE Railroad will become a Class III carrier. The projected annual revenues will not exceed \$5 million. Consequently, SJRE Railroad does not need to comply with the notice requirements of 49 C.F.R. § 1150.32(e).

- h) The operating agreement does not contain any provision or agreement that prohibits SJRE Railroad from interchanging traffic with a third party or limit SJRE Railroad's ability to interchange traffic with a third party railroad.

A caption summary, as required by 49 C.F.R. § 1150.34 is attached as "Exhibit B" to this Notice.

ENVIRONMENTAL AND HISTORIC IMPACTS

SJRE Railroad is operating the Line for continued rail operations. There are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years or older. Thus, this Notice of Exemption does not require a historic report under 49 CFR § 1105.8 (b) (1).

Furthermore, pursuant to 49 CFR 1105.6 (c)(2), the proposed transaction is exempt from environmental review under 49 CFR 1105.6 (c)(2)(i), because the actions proposed herein will not cause any operating changes that exceed the thresholds established in 49 CFR § 1105.7(e)(4) or (5). This action will not significantly affect either the quality of the human environment or energy conservation.

Submitted by:



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ATTORNEYS FOR SJRE – RAILROAD
SERIES, a series within SAN JACINTO
REAL ESTATE, a series LLC

Dated: March 7, 2019

EXHIBIT A

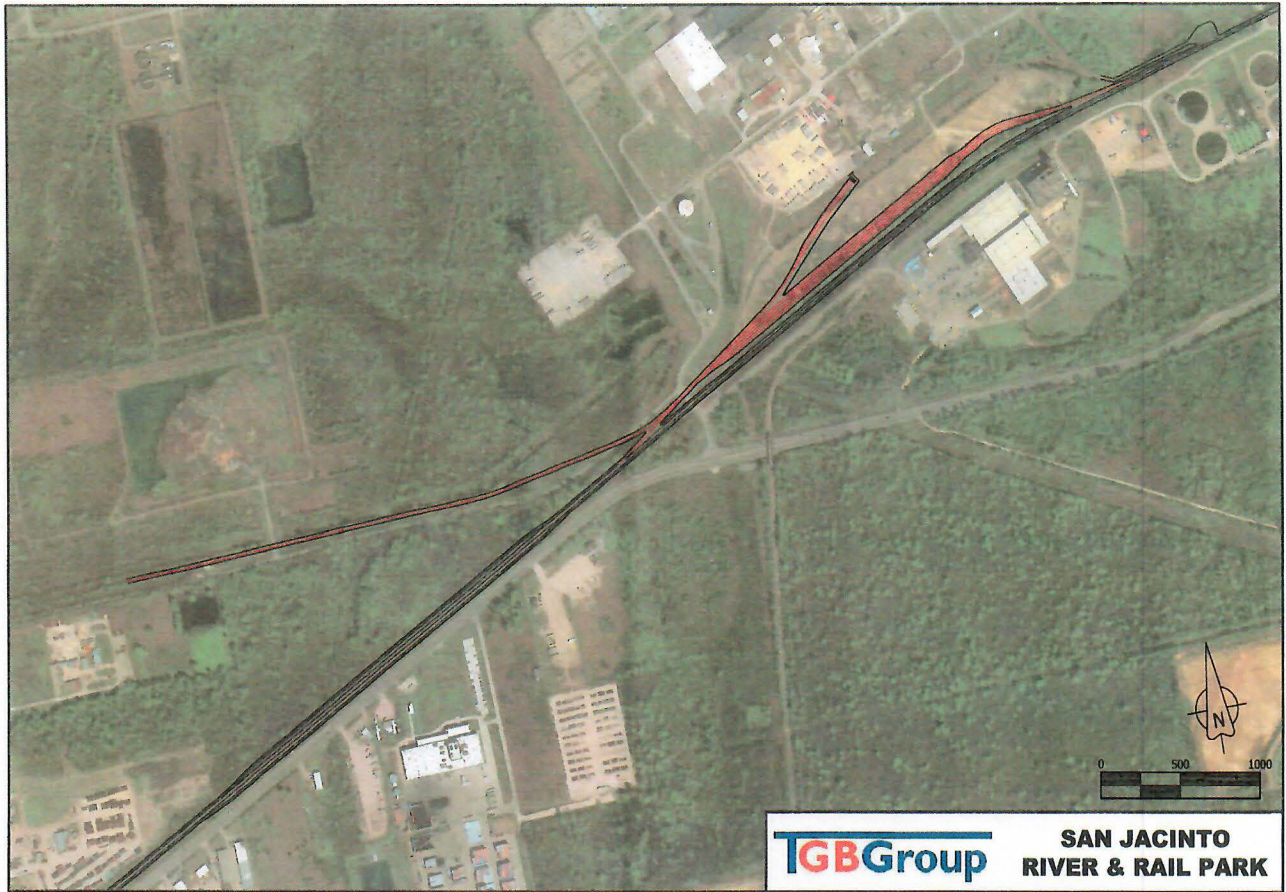


EXHIBIT B

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 36279

SJRE – RAILROAD SERIES, A SERIES WITHIN SAN JACINTO REAL ESTATE, A
SERIES LLC OPERATOR EXEMPTION

CAPTION SUMMARY

SJRE – Railroad Series, a series within San Jacinto Real Estate, a series LLC, a non-carrier, has filed a verified notice of exemption to operate the railroad line within the San Jacinto River and Rail Park, Houston, Harris County, Texas.

Comments must be filed with the Surface Transportation Board and served on R. Blake Runions, Porter Hedges LLP, 1000 Main Street, 36th Floor, Houston, Texas 77002, (713) 226-6000. The notice is filed under 49 C.F.R. § 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

VERIFICATION

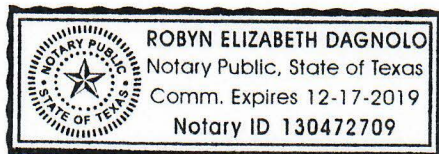
STATE OF TEXAS §
 §
COUNTY OF HARRIS §

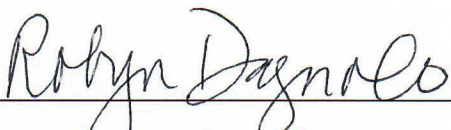
I, Diron L. Blackburn, being duly sworn state that I am the President of San Jacinto River & Rail Park, that I am authorized to make this verification, and that I have read the foregoing Notice of Exemption and know the facts asserted therein are true and accurate as sate to the best of my knowledge, information, and belief.



Diron L. Blackburn
President
San Jacinto River & Rail

SUBSCRIBED AND SWORN TO BEFORE ME on this 5 th day of March, 2019, to certify which witness my hand and official seal.





Notary Public ★ State of Texas

My commission expires: 12/17/19