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Contact:  
Desi Burns Porter  
info@TexansAgainstHSR.com

### **Texas Central Railway Deeds Texas Property To The Japanese Government**

Jewett, TX – Despite its claim to be a Texas company building a Texas project to benefit the people of Texas, public documents show Texas Central Railway has deeded property from Texas landowners to the Japanese government through an offshore entity set up in the Cayman Islands.

Based on a series of recently recorded real property transactions in counties along the affected route, it appears the Japanese government required Texas Central to put up the land as collateral for the sizeable loan owed to them. In each county ([Leon](#), [Waller](#), [Madison](#), [Harris](#), [Grimes](#), Dallas, Ellis, etc.), Texas Central filed a “Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing” relating to property owned by Texas Central in that county. The beneficiary of these Deeds of Trust is an offshore entity named “[Japan Texas High-Speed Railway Cayman GP](#).” Texas Central did not disclose the existence of this offshore beneficiary to any of the landowners it convinced to sign an option contract. Nor did it disclose its plans to use the property purchased through the option contracts to secure a loan from the Japanese government.

Adding to the serious concern of several elected officials from the local to federal levels, Texans Against HSR chair and president, Kyle Workman, explained that this latest deceptive action is one in a long string that landowners need to be made aware of. “Texas Central has long touted itself as a Texas company and a Texas project. Yet, some of the first Texas property it acquired was immediately deeded to an offshore shell company created by the Japanese government.”

Workman continued, “If Texas Central had disclosed their intent to deed this property to the government of Japan, lawmakers and landowners most likely would have considered these real estate transactions differently. There are still landowners with pending option contracts with Texas Central...these Texans must be notified immediately that the property Texas Central has acquired is being used as collateral to secure a loan from a foreign government. We ask that the Governor support measures to protect Texas land from being deceptively acquired and transferred into the shadows of offshore ownership, beyond the regulatory protections of US and Texas law.”

While Texas Central Railway continues to claim it will begin construction next year, the company has recently laid off the majority of its staff, admitted the cost estimate for the project has ballooned to \$30B, expressed its intent to seek federal funds for a project they have called “private” and “not needing any public funds,” and is now being required by the federal-level Surface Transportation Board to file a full application including financial and ridership information, which the company has refused to make public thus far.

Additionally, the Federal Railroad Administration is set to publish its Record of Decision (ROD) related to the Final Environmental Impact Statement (FEIS) for this HSR project on Friday. This ROD does not give the company the needed permission to construct; however, it is considered a final federal action for the project, allowing lawsuits regarding FEIS NEPA violations to begin.

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