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6
 7
 8 IN THE UNITED STATES DISTRICT COURT
 9 EASTERN DISTRICT OF CALIFORNIA

10
 11 UNITED STATES OF AMERICA,
 12 Plaintiff,
 13 v.

2:18-CV-00763-KJM-CKD

STIPULATION TO STAY FURTHER
 PROCEEDINGS AND ORDER

14 REAL PROPERTY LOCATED AT 10170
 PATTI WAY, ELK GROVE,
 15 CALIFORNIA, SACRAMENTO
 COUNTY, APN: 132-0910-069-0000,
 16 INCLUDING ALL APPURTENANCES
 AND IMPROVEMENTS THERETO,

17 REAL PROPERTY LOCATED AT 4960
 18 FRANCESCA STREET, ELK GROVE,
 CALIFORNIA, SACRAMENTO
 19 COUNTY, APN: 117-1000-033-0000,
 20 INCLUDING ALL APPURTENANCES
 AND IMPROVEMENTS THERETO,

21 REAL PROPERTY LOCATED AT 19460
 FIDDLETOWN ROAD, FIDDLETOWN,
 22 CALIFORNIA, AMADOR COUNTY,
 APN: 021-050-019-000, INCLUDING ALL
 23 APPURTENANCES AND
 IMPROVEMENTS THERETO,

24 REAL PROPERTY LOCATED AT 9009
 25 FERNWAY COURT, ELK GROVE,
 CALIFORNIA, SACRAMENTO
 26 COUNTY, APN: 116-1290-019-0000,
 27 INCLUDING ALL APPURTENANCES
 AND IMPROVEMENTS THERETO,

1 REAL PROPERTY LOCATED AT 8885
2 MONTEREY OAKS DRIVE, ELK
3 GROVE, CALIFORNIA, SACRAMENTO
4 COUNTY, APN: 116-1270-018-0000,
5 INCLUDING ALL APPURTENANCES
6 AND IMPROVEMENTS THERETO,

7 REAL PROPERTY LOCATED AT 16481
8 FIDDLETOWN ROAD, FIDDLETOWN,
9 CALIFORNIA, AMADOR COUNTY,
10 APN: 014-270-026-000, INCLUDING ALL
11 APPURTENANCES AND
12 IMPROVEMENTS THERETO,

13 REAL PROPERTY LOCATED AT 25
14 DONSON COURT, ELK GROVE,
15 CALIFORNIA, SACRAMENTO
16 COUNTY, APN: 117-1510-050-0000,
17 INCLUDING ALL APPURTENANCES
18 AND IMPROVEMENTS THERETO,

19 REAL PROPERTY LOCATED AT 7627
20 MASTERS STREET, ELK GROVE,
21 CALIFORNIA, SACRAMENTO
22 COUNTY, APN: 117-1390-017-0000,
23 INCLUDING ALL APPURTENANCES
24 AND IMPROVEMENTS THERETO, and

25 REAL PROPERTY LOCATED AT 8620
26 PORT HAYWOOD WAY,
27 SACRAMENTO, CALIFORNIA,
28 SACRAMENTO COUNTY, APN: 117-
0970-086-0000, INCLUDING ALL
APPURTENANCES AND
IMPROVEMENTS THERETO,

Defendants.

20 The United States and Claimants Jin Jin Lin, Jinquan Li, Bernard Horton and Lennette Horton,
21 Trustees of the Bernard Horton Retirement Trust Dated September 1, 1979; Bernard Horton and Lennette
22 Horton, Trustees of the Horton Family Trust Dated September 10, 1986, Roger Anderson, Trustee of the
23 RWA Trust Dated March 14, 2014, Daniel Zhu, Bruce J. Warren as Trustee of the Bruce J. Warren 2002
24 Revocable Trust, Bi Juan Li, Lone Oak Fund, LLC, Sun Chang Lin , Suki Xing H. Liang, Amwest
25 Funding Corp., Yue E. Chen, through their respective counsel, and Scott McConaughy and Carina
26 McConaughy, appearing *pro per*, hereby stipulate that a stay is necessary in the above-entitled action
27 and request that the Court enter an order staying all further proceedings until the resolution of the related
28

1 criminal cases, United States v. Leonard Yang, et al., Case 2:16-CR-00189-KJM and United States v. Xiu
2 Ping Li, et al., Case No. 2:17-CR-00136-KJM, and ongoing criminal investigation into marijuana grows
3 at the defendant properties.

4 1. This is a forfeiture *in rem* action against eight properties pursuant to 21 U.S.C. § 881(a)(7)
5 because they allegedly were used and intended to be used to commit or facilitate violations of federal
6 drug laws:

- 7 a. Real Property located at 10170 Patti Way in Elk Grove, California, Sacramento
8 County, the “*Defendant Patti Way.*” Jin Jin Lin has filed a claim asserting an
9 ownership interest in defendant Pianella Way. No other party has filed a claim
10 asserting an interest in defendant Pianella Way.
- 11 b. Real Property located at 4960 Francesca Street in Elk Grove, California, the
12 “*Defendant Francesca Street.*” Jinquan Li has filed a claim asserting an ownership
13 interest in defendant Francesca Street. Bernard Horton and Lennette Horton, Trustees
14 of the Bernard Horton Retirement Trust Dated September 1, 1979; Bernard Horton and
15 Lennette Horton, Trustees of the Horton Family Trust Dated September 10, 1986, filed
16 a claim asserting a lienholder interest in defendant Francesca Street.
- 17 c. Real Property located at 19460 Fiddletown Road in Fiddletown, California, the
18 “*Defendant 19460 Fiddletown Road.*” Daniel Zhu has filed a claim asserting an
19 ownership interest in defendant 19460 Fiddletown Road. Bruce J. Warren filed a
20 claim asserting a lienholder interest in defendant 19460 Fiddletown Road.
- 21 d. Real Property located at 9009 Fernway Court in Elk Grove, California, the “*Defendant*
22 *Fernway Court.*” Bi Juan Li has filed a claim asserting an ownership interest in
23 defendant Fernway Court. Lone Oak Fund LLC filed a claim asserting a lienholder
24 interest in defendant Fernway Court.
- 25 e. Real Property located at 8885 Monterey Oaks Drive in Elk Grove, California, the
26 “*Defendant Monterey Oaks Drive.*” Sun Chang Lin has filed a claim asserting an
27 ownership interest in defendant Monterey Oaks Drive. No other party has filed a
28 claim asserting an interest in this property.
- f. Real Property located at 16481 Fiddletown Road in Fiddletown, California, the
“*Defendant 16481 Fiddletown Road.*” Daniel Zhu has filed a claim asserting an
ownership interest in defendant 16481 Fiddletown Road. Bruce J. Warren filed a
claim asserting a lienholder interest in defendant 16481 Fiddletown Road.
- g. Real Property located at 25 Donson Court in Elk Grove, California, the “*Defendant*
Donson Court.” Suki Xing H. Liang has filed a claim asserting an ownership interest
in defendant Donson Court. Amwest Funding Corp. filed a claim asserting a
lienholder interest in defendant Donson Court.
- h. Real Property located at 7627 Masters Street in Elk Grove, California, the “*Defendant*
Masters Street.” Daniel Zhu has filed a claim asserting an ownership interest in

1 defendant Masters Street. Roger Anderson, Trustee of the RWA Trust Dated March
2 14, 2014, filed a claim asserting a lienholder interest in defendant Masters Street.

- 3 i. Real Property located at 8620 Port Haywood Way in Sacramento, California, the
4 “*Defendant Port Haywood Way*.” Yue E. Chen has filed a claim asserting an
5 ownership interest in defendant Port Haywood Way. The Scott and Carina
6 McConaughey Trust filed a claim asserting a lienholder interest in defendant Port
7 Haywood Way.

8 3. The stay is requested pursuant to 18 U.S.C. §§ 981(g)(1), 981(g)(2), and 21 U.S.C. §
9 881(i). The United States contends that the defendant properties were used and intended to be used to
10 commit or facilitate violations of federal drug laws in violation of 21 U.S.C. §§ 841 *et seq.* Claimants
11 deny these allegations.

12 4. To date, several individuals have been charged with federal crimes related to marijuana
13 manufacturing and distribution in two related cases, United States v. Leonard Yang, et al., Case 2:16-CR-
14 00189-KJM and United States v. Xiu Ping Li, et al., Case No. 2:17-CR-00136-KJM. It is the United
15 States’ position that the statute of limitations has not expired on potential criminal charges relating to the
16 drug trafficking involving the defendant properties. Nevertheless, the United States intends to depose
17 claimants (and others) regarding their ownership of the defendant properties, as well as their knowledge
18 and participation in large scale marijuana cultivation, including the marijuana grow at the defendant
19 properties, as well as the circumstances behind the purchase of the properties. If discovery proceeds at
20 this time, claimants will be placed in the difficult position of either invoking their Fifth Amendment
21 rights against self-incrimination and losing the ability to pursue their claims to the defendant properties,
22 or waiving their Fifth Amendment rights and submitting to a deposition and potentially incriminating
23 themselves. If they invoke their Fifth Amendment rights, the United States will be deprived of the ability
24 to explore the factual basis for the claims they filed with this court.

25 5. In addition, claimants intend to depose, among others, the agents involved with this
26 investigation, including but not limited to, the agents with the Drug Enforcement Administration
27 (“DEA”). Allowing depositions of the law enforcement officers at this time would adversely impact the
28 federal prosecution and ongoing investigation.

6. The parties recognize that proceeding with these actions at this time has potential adverse
effects on the investigation of the underlying criminal conduct and/or upon the claimant’s ability to assert

1 any defenses to forfeiture. For these reasons, the parties jointly request that these matters be stayed until
2 the conclusion of the related criminal cases. At that time the parties will advise the court of the status of
3 the criminal investigation, if any, and will advise the court whether a further stay is necessary.

4 7. If any of the defendant properties go into default, the parties reserve the right to seek all
5 avenues of redress to preserve the real properties, including filing a motion for interlocutory sale or
6 seeking a receiver appointment to collect rents and maintain the properties.

7 Dated: 7/26/2018

McGREGOR W. SCOTT
United States Attorney

8
9 By: /s/ Kevin C. Khasigian
KEVIN C. KHASIGIAN
Assistant U.S. Attorney

10
11 Dated: 7/27/18

/s/ J. Patrick McCarthy
J. PATRICK McCARTHY
Attorney for Claimants Daniel Zhu, Suki Xing H
Liang, and Jinquan Li
(Authorized by email)

12
13
14 Dated: 8/1/18

/s/ Simon Aron
SIMON ARON
Attorney for Claimant Lone Oak Fund, LLC
(Authorized by email)

15
16
17 Dated: 8/1/18

/s/ Scott G. McConaughey
SCOTT G. McCONAUGHEY
Pro Per Claimant
(Authorized by email)

18
19 Dated: 8/1/18

/s/ Carina M. McConaughey
CARINA M. McCONAUGHEY
Pro Per Claimant
(Authorized by email)

20
21
22 Dated: 8/2/18

/s/ Russell W. Reynolds
RUSSELL W. REYNOLDS
Attorney for Bruce Warren, Trustee of the Bruce J.
Warren 2002 Revocable Trust
(Authorized by email)

23
24
25
26 Dated: 7/31/18

/s/ Samuel D. Berns
SAMUEL D. BERNS
Attorney for Claimant Sun Chang Lin
(Signature retained by attorney)

1 Dated: 8/1/18

/s/ Larissa A. Branes
LARISSA A. BRANES
Attorney for Claimants Bernard Horton and Lennette
Horton, Trustees of the Bernard Horton Retirement
Trust Dated September 1, 1979; Bernard Horton and
Lennette Horton, Trustees of the Horton Family
Trust Dated September 10, 1986, and Roger
Anderson, Trustee of the RWA Trust Dated March
14, 2014 (Authorized by email)

6 Dated: 7/31/18

/s/ William G. Malcolm
WILLIAM G. MALCOLM
Attorney for Claimant Amwest Funding Corp
(Authorized by email)

9 Dated: 7/31/18

/s/ Robert J. Saria
ROBERT J. SARIA
Attorney for Claimant Jin Jin Lin
(Authorized by phone)

12 Dated: 8/2/18

/s/ David Foos
DAVID FOOS
Attorney for Claimant Yue E. Chen
(Authorized by email)

15 Dated: 7/31/18

/s/ Terry Hunt
TERRY R. HUNT
Attorney for Claimant Bi Juan Li
(Signature retained by attorney)

19 **ORDER**

20 For the reasons set forth above, this matter is stayed under 18 U.S.C. §§ 981(g)(1), 981(g)(2) and
21 21 U.S.C. § 881(i) until the resolution of companion criminal cases. The parties shall file a joint status
22 report within 30 days of the conclusion of the parallel criminal cases, or as the court deems appropriate.

23 IT IS SO ORDERED.

24 DATED: August 6, 2018.

25 
26 UNITED STATES DISTRICT JUDGE
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