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 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-00773-KJM-CKD

STIPULATION TO STAY FURTHER  
 PROCEEDINGS AND ORDER

14 REAL PROPERTY LOCATED AT 653  
 MAIN AVENUE, SACRAMENTO,  
 15 CALIFORNIA, SACRAMENTO  
 COUNTY, APN: 226-0240-037-0000,  
 16 INCLUDING ALL APPURTENANCES  
 AND IMPROVEMENTS THERETO,  
 17  
 18 REAL PROPERTY LOCATED AT 8656  
 DAIMLER WAY, SACRAMENTO,  
 CALIFORNIA, SACRAMENTO  
 19 COUNTY, APN: 115-0680-059-0000,  
 INCLUDING ALL APPURTENANCES  
 20 AND IMPROVEMENTS THERETO,  
 21  
 22 REAL PROPERTY LOCATED AT 12660  
 SHARON BEE LANE, HERALD,  
 CALIFORNIA, SACRAMENTO  
 23 COUNTY, APN: 152-0130-057-0000,  
 INCLUDING ALL APPURTENANCES  
 AND IMPROVEMENTS THERETO,  
 24  
 25 REAL PROPERTY LOCATED AT 22698  
 N. SOWLES ROAD, ACAMPO,  
 CALIFORNIA, SAN JOAQUIN COUNTY,  
 26 APN: 007-370-09-000, INCLUDING ALL  
 APPURTENANCES AND  
 27 IMPROVEMENTS THERETO,  
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1 REAL PROPERTY LOCATED AT 23900  
2 N. BRYANT ROAD, ACAMPO,  
3 CALIFORNIA, SAN JOAQUIN COUNTY,  
4 APN: 007-070-470-000, INCLUDING ALL  
5 APPURTENANCES AND  
6 IMPROVEMENTS THERETO,

7 REAL PROPERTY LOCATED AT 4700  
8 BLOSSOM RANCH DRIVE, ELK  
9 GROVE, CALIFORNIA, SACRAMENTO  
10 COUNTY, APN: 132-1060-066-0000,  
11 INCLUDING ALL APPURTENANCES  
12 AND IMPROVEMENTS THERETO, and

13 REAL PROPERTY LOCATED AT 7211  
14 OVAR COURT, ELK GROVE,  
15 CALIFORNIA, SACRAMENTO  
16 COUNTY, APN: 132-1240-062-0000,  
17 INCLUDING ALL APPURTENANCES  
18 AND IMPROVEMENTS THERETO,

19 Defendants.

20 The United States and Claimants Alan R. Zheng, Socotra Fund, LLC, Kingston Wu, Xiuyun Liu,  
21 Jocelyn H. Yu, Neal L. Horn, M.D., Dong Hai Lin, Ge Gao, Jing Shen Jiang, Wen Hui Lin and Jiang Nai  
22 Yi, through their respective counsel, hereby stipulate that a stay is necessary in the above-entitled action  
23 and request that the Court enter an order staying all further proceedings until the resolution of the related  
24 criminal cases, United States v. Leonard Yang, et al., Case 2:16-CR-00189-KJM and United States v. Xiu  
25 Ping Li, et al., Case No. 2:17-CR-00136-KJM, and ongoing criminal investigation into marijuana grows  
26 at the defendant properties.

27 1. This is a forfeiture *in rem* action against seven properties pursuant to 21 U.S.C. §  
28 881(a)(7) because they were allegedly used and intended to be used to commit or facilitate violations of  
federal drug laws:

a. Real Property located at 653 Main Avenue in Sacramento, California, the “*Defendant  
Main Avenue.*” Alan R. Zheng has filed a claim asserting an ownership interest in  
defendant Main Avenue. Lantzman HVHC Inc./JTA, LLC filed claims asserting  
lienholder interests in defendant Main Avenue. This property was sold and the  
proceeds were used to satisfy Lantzman HVHC Inc./JTA, LLC’s loan.<sup>1</sup>

b. Real Property located at 8656 Daimler Way, Sacramento in California, the “*Defendant  
Daimler Way.*” Ge Gao has filed a claim asserting an ownership interest in defendant

<sup>1</sup> Accordingly, Lantzman HVHC Inc./JTA, LLC no longer have an interest in Defendant Main Avenue.

1 Daimler Way. Socotra Fund, LLC filed a claim asserting a lienholder interest in  
2 defendant Daimler Way.

3 c. Real Property located at 12660 Sharon Bee Lane in Herald, California, the “*Defendant*  
4 *Sharon Bee Lane.*” Xiuyun Liu has filed a claim asserting an ownership interest in  
5 defendant Sharon Bee Lane. Kingston Wu filed a claim asserting a lienholder interest  
6 in defendant Sharon Bee Lane.

7 d. Real Property located at 22698 N. Sowles Road in Acampo, California, the  
8 “*Defendant N. Sowles Road.*” Jocelyn H. Yu has filed a claim asserting an ownership  
9 interest in defendant N. Sowles Road. Neal L. Horn, M.D. filed a claim asserting a  
10 lienholder interest in defendant N. Sowles Road.

11 e. Real Property located at 23900 N. Bryant Road in Acampo, California, the “*Defendant*  
12 *N. Bryant Road.*” Dong Hai Lin filed a claim asserting an ownership interest in  
13 defendant N. Bryant Road. No other party has filed a claim asserting an interest in  
14 defendant N. Bryant Road.

15 f. Real Property located at 4700 Blossom Ranch Drive in Elk Grove, California, the  
16 “*Defendant Blossom Ranch Drive.*” Jiang Nai Yi filed a claim asserting an ownership  
17 interest in defendant Blossom Ranch Drive. No other party has filed a claim asserting  
18 an interest in defendant Blossom Ranch Drive.

19 g. Real Property located at 7211 Ovar Court in Elk Grove, California, the “*Defendant*  
20 *Ovar Court.*” Wen Hui Lin has filed a claim asserting an ownership interest in  
21 defendant Ovar Court. Jing Shen Jiang filed a claim asserting an ownership interest in  
22 defendant Ovar Court.

23 3. The stay is requested pursuant to 18 U.S.C. §§ 981(g)(1), 981(g)(2), and 21 U.S.C. §  
24 881(i). The United States contends that the defendant properties were used and intended to be used to  
25 commit or facilitate violations of federal drug laws in violation of 21 U.S.C. §§ 841 *et seq.* Claimants  
26 deny these allegations.

27 4. To date, several individuals have been charged with federal crimes related to marijuana  
28 manufacturing and distribution in two related cases, United States v. Leonard Yang, et al., Case 2:16-CR-  
00189-KJM and United States v. Xiu Ping Li, et al., Case No. 2:17-CR-00136-KJM, and the  
investigation continues concerning the marijuana grows at the defendant properties. It is the United  
States’ position that the statute of limitations has not expired on potential criminal charges relating to the  
drug trafficking involving the defendant properties. Nevertheless, the United States intends to depose  
claimants (and others) regarding their ownership of the defendant properties, as well as their knowledge  
and participation in large scale marijuana cultivation, including the marijuana grow at the defendant

1 properties, as well as the circumstances behind the purchase of the properties. If discovery proceeds at  
2 this time, claimants will be placed in the difficult position of either invoking their Fifth Amendment  
3 rights against self-incrimination and losing the ability to pursue their claims to the defendant properties,  
4 or waiving their Fifth Amendment rights and submitting to a deposition and potentially incriminating  
5 themselves. If they invoke their Fifth Amendment rights, the United States will be deprived of the ability  
6 to explore the factual basis for the claims they filed with this court.

7 5. In addition, claimants intend to depose, among others, the agents involved with this  
8 investigation, including but not limited to, the agents with the Drug Enforcement Administration  
9 (“DEA”) and Internal Revenue Service (“IRS”). Allowing depositions of the law enforcement officers at  
10 this time would adversely impact the federal prosecution and ongoing investigation.

11 6. The parties recognize that proceeding with these actions at this time has potential adverse  
12 effects on the investigation of the underlying criminal conduct and/or upon the claimant’s ability to assert  
13 any defenses to forfeiture. For these reasons, the parties jointly request that these matters be stayed until  
14 the conclusion of the related criminal cases. At that time the parties will advise the court of the status of  
15 the criminal investigation, if any, and will advise the court whether a further stay is necessary.

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

19 Dated: 7/27/2018

McGREGOR W. SCOTT  
United States Attorney

20  
21 By: /s/ Kevin C. Khasigian  
KEVIN C. KHASIGIAN  
Assistant U.S. Attorney

22  
23 Dated: 7/31/18

/s/ Ernest Chen  
ERNEST CHEN  
Attorney for Claimant Alan R. Zheng  
(Authorized by email)

24  
25  
26 Dated: 7/30/18

/s/ J. Patrick McCarthy  
J. PATRICK McCARTHY  
Attorneys for Claimant Xiuyun Liu and  
Jocelyn H. Yu  
(Authorized by email)

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Dated: 8/1/18

/s/ Larissa A. Branes  
LARISSA A. BRANES  
Attorney for Claimant Socotra Fund, LLC  
(Authorized by email)

Dated: 8/1/18

/s/ Edward Singer  
EDWARD SINGER  
Attorney for Kingston Wu  
(Authorized by email)

Dated: 8/1/18

/s/ Edward Weber  
EDWARD WEBER  
Attorney for Neal L. Horn, M.D.  
(Authorized by email)

Dated: 7/31/18

/s/ Samuel D. Berns  
SAMUEL D. BERNS  
Attorney for Dong Hai Lin  
(Signature retained by attorney)

Dated: 7/31/18

/s/ Linda M. Parisi  
Linda M. Parisi  
Attorney for Claimants Ge Gao, Jiang Nai Yi,  
Jing Shen Jiang, and Wen Hui Lin  
(Authorized by email)

**ORDER**

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

IT IS SO ORDERED.

DATED: August 6, 2018.

  
UNITED STATES DISTRICT JUDGE