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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-00777-KJM-CKD

STIPULATION TO STAY FURTHER
 PROCEEDINGS AND ORDER

14 REAL PROPERTY LOCATED AT 7320
 DEL CORONADO WAY,
 15 SACRAMENTO, CALIFORNIA,
 SACRAMENTO COUNTY, APN: 051-
 16 0361-005-0000, INCLUDING ALL
 APPURTENANCES AND
 17 IMPROVEMENTS THERETO,

18 REAL PROPERTY LOCATED AT 7701
 MANET PARKWAY, SACRAMENTO,
 19 CALIFORNIA, SACRAMENTO
 COUNTY, APN: 050-0223-010-0000,
 20 INCLUDING ALL APPURTENANCES
 AND IMPROVEMENTS THERETO,

21 REAL PROPERTY LOCATED AT 7701
 VALLECITOS WAY, SACRAMENTO,
 22 CALIFORNIA, SACRAMENTO
 COUNTY, APN: 040-0081-001-0000,
 23 INCLUDING ALL APPURTENANCES
 AND IMPROVEMENTS THERETO,

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 25 REAL PROPERTY LOCATED AT 7109
 18TH STREET, RIO LINDA,
 26 CALIFORNIA, SACRAMENTO
 COUNTY, APN: 207-0170-079-0000
 27 INCLUDING ALL APPURTENANCES
 AND IMPROVEMENTS THERETO, and
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1 REAL PROPERTY LOCATED AT 8333
2 KAMELIA COURT, ELK GROVE,
3 CALIFORNIA, SACRAMENTO
4 COUNTY, APN: 115-1840-053-0000,
5 INCLUDING ALL APPURTENANCES
6 AND IMPROVEMENTS THERETO

Defendants.

6 The United States and Claimants Wen X. Zhang, Wen Hui Lin, Mei Quan Yang, MX
7 International Trading, LLC, Hai Yan Chen, PS Funding, Inc., and Bruce Fonarow hereby stipulate that a
8 stay is necessary in the above-entitled action and request that the Court enter an order staying all further
9 proceedings until the resolution of the related criminal cases, United States v. Leonard Yang, et al., Case
10 2:16-CR-00189-KJM and United States v. Xiu Ping Li, et al., Case No. 2:17-CR-00136-KJM.

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

13 a. Real Property located at 7320 Del Coronado Way, Sacramento, California, the
14 “*Defendant Del Coronado Way.*” Wen X. Zhang has filed a claim asserting an ownership
15 interest in defendant Del Coronado Way.

16 b. Real Property located at 7701 Manet Parkway, Sacramento, California, the
17 “*Defendant Manet Parkway.*” Wen Hui Lin has filed a claim asserting an ownership
18 interest in defendant Manet Parkway. PS Funding, Inc. filed a claim asserting a lienholder
19 interest in defendant Manet Parkway.

20 c. Real Property located at 7701 Vallecitos Way, Sacramento, California, the
21 “*Defendant Vallecitos Way.*” Mei Quan Yang has filed a claim asserting an ownership
22 interest in defendant Vallecitos Way.

23 d. Real Property located at 7109 18th Street, Rio Linda, California, the “*Defendant*
24 *18th Street.*” MX International Trading, LLC has filed a claim asserting an ownership
25 interest in defendant 18th Street. Bruce Fonarow filed a claim asserting a lienholder
26 interest in defendant 18th Street.

27 e. Real Property located at 8333 Kamelia Court, Elk Grove, California, the
28 “*Defendant Kamelia Court.*” Hai Yan Chen has filed a claim asserting an ownership
interest in defendant Kamelia Court.

29 2. The stay is requested pursuant to 18 U.S.C. §§ 981(g)(1), 981(g)(2), and 21 U.S.C. §
30 881(i). The United States contends that the defendant properties were used and intended to be used to
31 commit or facilitate violations of federal drug laws in violation of 21 U.S.C. §§ 841 *et seq.* Claimants
32 deny these allegations.

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

14 4. In addition, claimants intend to depose, among others, the agents involved with this
15 investigation, including but not limited to, the agents with the Department of Homeland Security,
16 Homeland Security Investigations (“HSI”). Allowing depositions of the law enforcement officers at this
17 time would adversely impact the federal prosecution and ongoing investigation.

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

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

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1 Dated: 8/1/2018

McGREGOR W. SCOTT
United States Attorney

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

4
5 Dated: 7/31/2018

/s/ Candice Fields
CANDICE FIELDS
Attorney for Claimant Wen X. Zhang

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7
8 Dated: 7/31/2018

/s/ Linda Parisi
LINDA PARISI
Attorney for Claimant Wen Hui Lin

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10
11 Dated: 7/31/2018

/s/ Eric R. Olah
ERIC R. OLAH
Attorney for Claimant PS Funding, Inc.

12
13
14 Dated: 7/27/2018

/s/ Ernest Chen
ERNEST CHEN
Attorney for Claimant Mei Quan Yang, Hei Yan
Chen and MX International Trading, LLC

15
16
17 Dated: 7/30/2018

/s/ Douglas R. Schwartz
DOUGLAS R. SCHWARTZ
Attorney for Claimant Bruce Fonarow

18
19
20 **ORDER**

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

24 IT IS SO ORDERED.

25 DATED: August 6, 2018.

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UNITED STATES DISTRICT JUDGE