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

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

2:18-CV-00825-KJM-CKD

STIPULATION TO STAY FURTHER
 PROCEEDINGS AND ORDER

14 REAL PROPERTY LOCATED AT 8744
 VYTINA DRIVE, ELK GROVE,
 15 CALIFORNIA, SACRAMENTO
 COUNTY, APN: 115-1460-028-0000,
 16 INCLUDING ALL APPURTENANCES
 AND IMPROVEMENTS THERETO,
 17
 18 REAL PROPERTY LOCATED AT 6439
 VALLEY HI DRIVE, SACRAMENTO,
 CALIFORNIA, SACRAMENTO
 19 COUNTY, APN: 117-0032-004-0000,
 INCLUDING ALL APPURTENANCES
 20 AND IMPROVEMENTS THERETO,
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 22 REAL PROPERTY LOCATED AT 8613
 ORISON COURT, ELK GROVE,
 CALIFORNIA, SACRAMENTO
 23 COUNTY, APN: 121-0900-024-0000,
 INCLUDING ALL APPURTENANCES
 24 AND IMPROVEMENTS THERETO,
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 26 REAL PROPERTY LOCATED AT 4630
 COUNTRY SCENE WAY,
 SACRAMENTO, CALIFORNIA,
 27 SACRAMENTO COUNTY, APN: 117-
 0550-004-0000, INCLUDING ALL
 APPURTENANCES AND
 28 IMPROVEMENTS THERETO,

1 REAL PROPERTY LOCATED AT 8139
2 VALLEY GREEN DRIVE,
3 SACRAMENTO, CALIFORNIA,
4 SACRAMENTO COUNTY, APN: 117-
5 0280-013-0000, INCLUDING ALL
6 APPURTENANCES AND
7 IMPROVEMENTS THERETO,

8 REAL PROPERTY LOCATED AT 3975
9 DEER CROSS WAY, SACRAMENTO,
10 CALIFORNIA, SACRAMENTO
11 COUNTY, APN: 119-0291-016-0000,
12 INCLUDING ALL APPURTENANCES
AND IMPROVEMENTS THERETO, and

REAL PROPERTY LOCATED AT 4713
LAGUNA WEST WAY, ELK GROVE,
CALIFORNIA, SACRAMENTO
COUNTY, APN: 119-0830-041-0000,
INCLUDING ALL APPURTENANCES
AND IMPROVEMENTS THERETO,

Defendants.

The United States and Claimants Zhoubing Yang, PS Funding, Inc., Northern California Mortgage Fund XII, LLC, Zun Jin Chen, Mei Hui Chen, Min Hui Jiang, Ketong Cai, Xiuqin Lin, Dong Li, Xuehong Yang, East West Bank and Lone Oak Fund, LLC, through their respective counsel, and Larry R. Blanchard and Carol Blanchard, as Trustees of the Blanchard Family Trust, Kasey Olin, and Joseph Ciranni, appearing *pro per*, hereby stipulate that a stay is necessary in the above-entitled action and request that the Court enter an order staying all further proceedings until the resolution of the related criminal 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 ongoing criminal investigation into marijuana grows at the defendant properties.

1. This is a forfeiture *in rem* action against seven properties pursuant to 21 U.S.C. § 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 8744 Vytina Drive in Elk Grove, California, the “*Defendant Vytina Drive*.” Zhoubang Yang has filed a claim asserting an ownership interest in defendant Vytina Drive. PS Funding, Inc. filed a claim asserting a lienholder interest in defendant Vytina Drive.

b. Real Property located at 6439 Valley Hi Drive in Sacramento, California, the

1 “Defendant Valley Hi Drive.” Mei Hui Chen has filed a claim asserting an ownership
2 interest in defendant Valley Hi Drive. No other party has filed a claim asserting an
3 interest in defendant Valley Hi Drive.

- 4 c. Real Property located at 8613 Orison Court in Elk Grove, California, the “*Defendant*
5 *Orison Court.*” Min Hui Jiang has filed a claim asserting an ownership interest in
6 defendant Orison Court. Lone Oak Fund, LLC filed a claim asserting a lienholder
7 interest in defendant Orison Court.
- 8 d. Real Property located at 4630 Country Scene Way in Sacramento, California, the
9 “*Defendant Country Scene Way.*” Xuehong Yang has filed a claim asserting an
10 ownership interest in defendant Country Scene Way. Larry R. Blanchard and Carol
11 Blanchard, Trustees of the Blanchard Family Trust, filed claims asserting a lienholder
12 interest in defendant Country Scene Way.
- 13 e. Real Property located at 8139 Valley Green Drive in Sacramento, California, the
14 “*Defendant Valley Green Drive.*” Ketong Cai and Xiuqin Lin have filed claims
15 asserting an ownership interest in defendant Valley Green Drive. East West Bank
16 filed a claim asserting a lienholder interest in defendant Valley Green Drive.
- 17 f. Real Property located at 3975 Deer Cross Way in Sacramento, California, the
18 “*Defendant Deer Cross Way.*” Dong Li has filed a claim asserting an ownership
19 interest in defendant Deer Cross Way. Kasey Olin and Joseph Ciranni filed claims
20 asserting a lienholder interest in defendant Deer Cross Way.
- 21 g. Real Property located at 4713 Laguna West Way in Elk Grove, California, the
22 “*Defendant Laguna West Way.*” Zun Jin Chen has filed a claim asserting an
23 ownership interest in defendant Laguna West Way. Northern California Mortgage
24 Fund XII, LLC filed a claim asserting a lienholder interest in defendant Laguna West
25 Way.

26 3. The stay is requested pursuant to 18 U.S.C. §§ 981(g)(1), 981(g)(2), and 21 U.S.C. §
27 881(i). The United States contends that the defendant properties were used and intended to be used to
28 commit or facilitate violations of federal drug laws in violation of 21 U.S.C. §§ 841 *et seq.* Claimants
deny these allegations.

4. To date, several individuals have been charged with federal crimes related to marijuana
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

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

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

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

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

20 Dated: 7/26/2018

McGREGOR W. SCOTT
United States Attorney

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

23
24 Dated: 7/27/18

/s/ J. Patrick McCarthy
J. PATRICK McCARTHY
Attorney for Claimants Zun Jin Chen
(Authorized by email)

25
26 Dated: 7/27/18

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

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Dated: 7/27/18

/s/ Eric R. Olah
ERIC R. OLAH
Attorney for PS Funding, Inc.
(Authorized by email on July 27, 2018)

Dated: 7/31/18

/s/ William G. Malcolm
WILLIAM G. MALCOLM
Attorney for Claimant East West Bank
(Authorized by email)

Dated: 7/31/18

/s/ Robert J. Saria
ROBERT J. SARIA
Attorney for Claimant Mei Hui Chen
(Authorized by phone)

Dated: 8/2/18

/s/ David Foos
DAVID FOOS
Attorney for Claimant Xuehong Yang
(Authorized by email)

Dated: 7/31/18

/s/ Terry R. Hunt
TERRY R. HUNT
Attorney for Claimant Zhoubing Yang Yang
(Authorized by email)

Dated: 7/30/18

/s/ Patrick J. Wingfield
PATRICK J. WINGFIELD
Attorney for Claimant Northern California Mortgage
Fund XII, LLC
(Authorized by email)

Dated: 8/1/18

/s/ Kasey Olin
KASEY OLIN
Pro Per Claimant
(Authorized by email)

Dated: 8/1/18

/s/ Joseph Ciranni
JOSEPH CIRANNI
Pro Per Claimant
(Authorized by email)

Dated: 7/30/18

/s/ Larry R. Blanchard
LARRY R. BLANCHARD
Pro Per Claimant
(Authorized by email)

Dated: 7/30/18

/s/ Carol F. Blanchard
CAROL F. BLANCHARD
Pro Per Claimant
(Authorized by email)

1 Dated: 7/31/18

/s/ Linda M. Parisi
LINDA M. PARISI
Attorney for Claimants Ketong Cai, Xiuqin Lin,
Dong Li, and Min Hui Jiang
(Authorized by email)

6 **ORDER**

7 For the reasons set forth above, this matter is stayed under 18 U.S.C. §§ 981(g)(1), 981(g)(2) and
8 21 U.S.C. § 881(i) until the resolution of companion criminal cases. The parties shall file a joint status
9 report within 30 days of the conclusion of the parallel criminal cases, or as the court deems appropriate.

10 IT IS SO ORDERED

11 DATED: August 6, 2018.

12 
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UNITED STATES DISTRICT JUDGE