

United States District Court
NORTHERN DISTRICT OF GEORGIA

JAN 30 2018

JAMES N. HATTEN, Clerk
By: *Angela L. Smith* Deputy Clerk

ORIGINAL

UNITED STATES OF AMERICA

v.

CRIMINAL COMPLAINT

Emily Moerdomo FU

Case Number: 1:18-MJ-091

I, the undersigned complainant being duly sworn, state the following is true and correct to the best of my knowledge and belief. On or about November 17, 2017, in Gwinnett County, in the Northern District of Georgia, defendant Emily Moerdomo FU, having devised a scheme to defraud or to obtain money by means of materially false or fraudulent pretenses, representations, or promises; knowingly caused a matter or thing, to wit, a notice from Touchmark National Bank, to be delivered by mail according to the direction thereon for the purpose of furthering such scheme,

in violation of Title 18, United States Code, Section(s) 1341.

I further state that I am a(n) Special Agent and that this complaint is based on the following facts:

PLEASE SEE ATTACHED AFFIDAVIT

Continued on the attached sheet and made a part hereof. Yes

Blake S. Jessamy

Signature of Complainant
Blake S. Jessamy

Based upon this complaint, this Court finds that there is probable cause to believe that an offense has been committed and that the defendant has committed it. Sworn to before me, and subscribed in my presence

January 30, 2018

Date

at Atlanta, Georgia

City and State

CATHERINE M. SALINAS
UNITED STATES MAGISTRATE JUDGE

Name and Title of Judicial Officer
AUSA Brian M. Pearce / 2018R00

Catherine Salinas

Signature of Judicial Officer

AFFIDAVIT IN SUPPORT OF CRIMINAL COMPLAINT

I, Blake S. Jessamy, being duly sworn, depose and state as follows:

INTRODUCTION AND AGENT BACKGROUND

1. I am a U.S. Postal Inspector assigned to the Charlotte Division of the U.S. Postal Inspection Service (USPIS) in Atlanta, Georgia. I have been employed by the USPIS for approximately 3 1/2 years. Prior to my employment with USPIS, I served as a police officer with the Charlotte-Mecklenburg Police Department for approximately 6 years. I attended and completed the United States Postal Inspection Service Academy in Potomac, Maryland, where I received intense and rigorous training in criminal investigative procedures, criminal law, and the investigation of crimes committed against the United States Postal Service, or furthered through the U.S. Mail. I am currently assigned to the Mail Fraud team where I have been tasked with the investigation of financial crimes, to include mail fraud and money laundering.
2. This affidavit is being submitted in support of a criminal complaint for mail fraud against Emily Moerdomo FU ("FU"). Based on the facts set forth in this affidavit, I submit that there is probable cause to believe that FU has committed mail fraud, in violation of Title 18, United States Code, section 1341, among other federal offenses including without limitation, wire fraud, in violation of Title 18, United States Code, section 1343, bank fraud, in violation of Title 18, United States Code, section 1344 and money laundering, in violation of 18 U.S. Code, section 1956.
3. The facts and information contained in this affidavit are based on: my investigation and reports of other investigating agencies that I find trustworthy and reliable; personal knowledge and training and experience, as well of that of other Postal Inspectors and law

enforcement officers involved in this investigation; an 86-page Civil Complaint filed on December 20, 2017 in the Northern District of Georgia by the law firm Jones Day, on behalf of several plaintiff companies identified below as victims in the scheme described in the Complaint and in relevant part herein, in Intelligent Investment International LLC, et al. v. Emily Fu, et al., 1:17-cv-05296-RWS, as supplemented in an amended complaint filed in January 2018; and summaries of interviews, text messages, and other materials obtained from counsel for victims of the scheme described below.

DEFINITIONS

4. **WeChat:** “A Chinese multi-purpose social media mobile application software developed by Tencent.” – Excerpt from Wikipedia

“WeChat is a messaging and calling app that allows you to easily connect with family & friends across countries. It's the all-in-one communications app for text (SMS/MMS), voice and video calls, Moments, photo sharing, and games.” – Excerpt from Apple App Store.

DropBox: “A file hosting service operated by American company Dropbox, Inc., headquartered in San Francisco, California, that offers cloud storage, file synchronization, personal cloud, and client software.” – Excerpt from Wikipedia

BACKGROUND

5. Capital Investment International Inc. (“Capital Investment”) is a real estate investment and advisory firm operated by Emily FU, a licensed Georgia real estate salesperson. From at least in or about 2014, and continuing through 2017, in the Northern District of Georgia, and elsewhere, FU, through her company, Capital Investment, sent investors

investment prospectuses and caused investors to send money for the purposes of investment in nine (9) commercial real estate properties to which she offered a ‘turnkey investment solution’. Her offered services included the establishment of an investment company to purchase and hold property, facilitate the purchase of the property, and manage the property. FU’s services also included establishing related bank accounts and collecting rent. In furtherance of her investment fraud scheme and embezzlement of investor funds, FU transmitted, and caused to be transmitted, fraudulent financial documents and other communication, both by wire and mail, as described further below.

6. FU’s criminal conduct was varied and included: (1) the embezzlement of approximately \$930,000.00 from victim investment companies identified further below; (2) a series of unauthorized loans totaling \$8.67 million against two of the investment properties she managed on behalf of investors; (3) misrepresentation of the purchase and ownership of investment properties that were never actually purchased on investors behalf, bilking investors out of \$8 million; and (4) the misrepresentation of purchase price of investment properties, bilking investors out of an estimated \$1.15 million. This affidavit does not set out to describe each criminal act for which evidence has been found in this investigation, but only probable cause for the one count of mail fraud set forth in the Complaint.
7. FU maintained a website for Capital Investment website, www.capitalinvestmentsint.com, at which she described her company as “a full commercial real estate service” offering asset and property management, consulting and corporate services, brokerage services. The website described FU as the Chairman and founder of the company, touted her “extensive experience in real estate investment, international trade, business development, and strategic planning,” and

“extensive network of Chinese government and business connections, together with the amalgam of her Chinese background, U.S. education and multinational work experiences.” The website notes the fact that FU had been awarded the Governor’s International Award individual of the Year in the State of Georgia.

FU’S RELATIONSHIP WITH THE LIN INVESTOR-VICTIMS

8. In or around 2011, a family friend introduced Lin to FU to represent him in the purchase of a personal residence. FU represented Lin in two residential purchases. Lin is the father of Leonard Lin (“Leonard”, referred to collectively with his father as “the Lins”), who assisted his father with his investments and companies and had investments of his own. Lin is the founder and chairman of a Self China, an LED technology manufacturing company, headquartered in Ningbo, China. Self China owns two Georgia based corporations, Ninglanta Industry, Inc. (“NINGLANTA”) and Goldfield Industry, Inc. (“GOLDFIELD”). Lin also serves as President and Director of NINGLANTA.
9. Lin later told FU he was interested in investing in commercial real estate. FU offered her services to assist in the purchase and management of the investment properties. Lin and his son Leonard introduced FU to some of their family and friends from China who were also interested in investing in commercial real estate.
10. Between 2014 and 2017, FU, acting as an advisor and licensed Georgia real estate salesperson through her company, Capital Investment, solicited, marketed, and made investment recommendations to Lin and investors associated with him (the LIN INVESTORS). Her recommendations led to the establishment of the nine investment companies listed in Exhibit A hereto. Exhibit A lists estimated losses associated with each of the nine companies and associated investment properties.

11. Operating as Capital Investment, FU served as property manager for all of the nine properties. FU formed seven of the nine INVESTMENT COMPANIES on behalf of the investors. FU opened bank accounts on behalf of the INVESTMENT COMPANIES, managed bank records, and transmitted financial data to accountants for tax purposes. FU transmitted data, including prospectuses, settlement statements, and regular financial statements, about the INVESTMENT COMPANIES using email, WeChat, and DropBox, to the LIN INVESTORS.
12. In November 2017, the Lins were reallocating management responsibilities relating to the INVESTMENT COMPANIES and sought a meeting with FU. On November 14, 2017, Wanjiong Lin and an associate, Jieyong “James” Cao, met with FU. At the meeting, FU admitted to having embezzled around \$930,000 from various Lin investments. She apologized and promised to return the funds, citing different potential sources of money. Among such sources, FU mentioned a \$10 million inheritance that would be coming to her and several siblings after the death of her father, and a personal residence on which she offered to take out an additional mortgage of \$100,000 to \$150,000.
13. On November 17, 2017, Wanjiong Lin and Cao again met with FU. She again offered to repay the \$930,000 from a variety of sources. FU further offered to continue to manage properties for them pending transfer of her duties to another manager of Lin’s choosing. At this meeting, FU agreed to meet with Lin and Cao again on November 20, 2017 at a bank that named as the lender in certain loans relating to investments in question (viz., Touchmark Bank, described further below) to review information about investment properties FU had ostensibly helped acquire and manage. On the evening of November 17, 2017, Wanjiong Lin sent a WeChat text message in Chinese to FU asking her to

confirm her “wrong doing of secretly embezzling funds”, as admitted in the meeting, and asking her for a chart setting forth the time and amount of the misappropriations. FU answered in Chinese, “I will cooperate according to your demand.”

14. On November 20, 2017, FU sent a WeChat test message to Leonard Lin and Cao saying that she was on her way to pick them up and go to Touchmark Bank. However, she did not show up and ceased communication for some time. On the same date, Lin caused the lawsuit referred to in paragraph 3 above to be filed. Through their attorneys, Jones Day, the LIN INVESTORS learned that FU took a flight to Ecuador, but later returned voluntarily.

THREE FICTITIOUS PROPERTY PURCHASES INVENTED BY FU

Sugarloaf Center

15. In February 2015, Lin and other investors associated with him formed Walks at Johns Creek LLC (Johns Creek) and contributed an initial \$1,578,788 in capital. The LLC was formed to purchase Sugarloaf Center, a shopping center at 1950 Satellite Boulevard in Duluth, Georgia. FU was named manager of Johns Creek.
16. On April 17, 2015, FU gave the investors a settlement statement reflecting Johns Creek’s purported purchase of the shopping center for \$3.25 million in cash.
17. After FU’s admissions in the meeting with Lin and Cao on November 20, 2017, Lin caused a search to be made of the Gwinnett County Tax Assessor’s Office. The records showed no change in ownership around the time of the purported purchase reflected in the settlement statement provided by FU. FU evidently presented a fictitious settlement statement to Lin and other investors to conceal the fact that she had misappropriated their investment funds.

18. A search of Georgia Secretary of State records shows that on August 24, 2017, unbeknownst to Lin and associated investors, Johns Creek was administratively dissolved. FU had evidently failed to make annual registration filings on behalf of the LLC.

Eastside Med Partners

19. In November 2016, Lin and other investors associated with him formed Eastside Med Partners LLC (Eastside Med) and contributed an initial \$5.65 million in capital. The LLC was formed to purchase 3435 Highway 81, Loganville, Georgia. FU was named manager of Johns Creek.
20. FU circulated a prospectus among the investors indicating a proposed return on investment of 11.17 %.
21. On January 19, 2017, FU sent investors a purported purchase and sales agreement reflecting Eastside Med's supposed purchase of the property for \$5.65 million, including a \$2.83 million loan from Touchmark National Bank (Touchmark), a small bank with around 25 employees and headquarters in Alpharetta, Georgia. The agreement was executed on behalf of the LLC by FU as its manager.
22. After FU's admissions in the meeting with Lin and Cao on November 20, 2017, Lin caused a search to be made of Walton County records for evidence of any ownership interest in the property for Eastside Med. The records showed no change in ownership around the time of the purported purchase reflected in the settlement statement provided by FU. Rather, the records showed that the property was sold to an unrelated Tennessee corporation on July 31, 2017.

23. A search of Georgia Secretary of State records shows that on August 24, 2017, unbeknownst to Lin and associated investors, Eastside Med was administratively dissolved. FU had evidently failed to make annual registration filings on behalf of the LLC.

Palisades West Paces

24. In March 2016, Lin and other investors associated with him formed Palisades West Paces Partners LLC (West Paces Partners) and contributed an initial \$1,377,507 in capital. The LLC was formed to purchase a medical center in the Palisades at West Paces Condominiums, 3200 Downwood Circle NW, Suite 200, Atlanta, Georgia. FU was named manager of West Paces Partners.

25. FU circulated a prospectus among the investors indicating a proposed return on investment of 14.4 % and took investors on a tour of the property. FU then circulated a letter of intent to buy the medical center among the investors.

26. On April 15, 2015, FU gave the investors a settlement statement reflecting West Paces Partners' purported purchase of the medical center for \$1.45 million.

27. After FU's admissions in the meeting with Lin and Cao on November 20, 2017, Lin caused a search to be made of Fulton County records. The records showed no change in ownership around the time of the purported purchase reflected in the settlement statement provided by FU, and no sale to West Paces Partners. Rather, the records show that on April 20, 2016, the former owner sold the property to an unrelated LLC for \$1.315 million.

UNAUTHORIZED LOAN BY FU

Shoppes at Brannon

28. In October 2014, Ninglanta established Brannon Crossing Partners LLC (Brannon Crossing Partners) as its sole member and contributed an initial \$15,000,000 in capital. The LLC was formed to purchase the Shoppes at Brannon Crossing (“Shoppes at Brannon”), located at 405 Peachtree Parkway, Cumming, GA. Yi Wang was named manager of Brannon Crossing Partners. Emily FU was not named as an officer of Brannon Crossing Partners or authorized to take action on behalf of the company.
29. FU emailed a prospectus to Ninglanta indicating a proposed return on investment of 8% and took representatives of Ninglanta on a tour of the property.
30. On October 14, 2014, FU emailed Ninglanta a settlement statement reflecting Brannon Crossing Partners’ purported purchase of the Shoppes at Brannon Crossing for \$15 million in an all cash transaction.
31. After FU’s admissions in the meeting with Lin and Cao on November 20, 2017 and EMILY’s subsequent flight to Ecuador, the Lins went to Gina Thomas (Thomas), FU’s assistant at the Capital Investment office. Thomas shared with the Lins her concern about a notice received by mail at the Capital Investment office from Touchmark Bank to Brannon Crossing Partners indicating a loan payment was past due. As FU’s assistant, Thomas was responsible for managing several of the INVESTMENT PROPERTIES, including Brannon Crossings, at FU’s direction.
32. The discovery of the Touchmark mailing prompted a search to be made of Forsyth County records as The Shoppes at Brannon were purchased in an all-cash transaction. The search revealed a loan in the amount of \$6,000,000 was recorded against the Shoppes at Brannon on December 5, 2014.

33. The security deed bears FU's signature as President of Brannon Crossing Partners and the deed reflects Touchmark as the Lender. It lists the Capital Investment office address, 1300 Peachtree Industrial Boulevard, Suite 3209, Suwanee, GA 30024, for receipt of notices directed towards Brannon Crossing Partners. However, at the time this deed was recorded, the principle place of business and registered agent's office listed for Brannon Crossing Partners was 4500 Peachtree Lake Drive, Duluth, Georgia 30096, the office of Brannon Crossing Partners' sole member, Ninglanta, as recorded with the Georgia Secretary of State.
34. Yi Wang, as Manager of Brannon Crossing Partners, reports that FU was never appointed as President of Brannon Crossing Partners and that FU was never given authorization to take a loan against the Shoppes at Brannon Crossing.
35. None of the periodic financial statements FU provided to Ninglanta or its accountants referred to any outstanding loan or loan payments.

NEXUS TO U.S. MAILS

36. On or about November 20, 2017, a mailing from the Alpharetta office of Touchmark Bank was received by FU's company, Capital Investment, at the address listed above for its office in Suwanee, Georgia. The mailing contained a past due notice for an outstanding loan payment for the Shoppes at Brannon Crossing property discussed above. Given FU's experience in the real estate industry, she knew that a real estate lender would send, or cause to be sent, mailings in the U.S. mails or other interstate carrier to the borrower about the loan, including past due notices and demands. By causing Touchmark mailings to be directed to the Capital Investment office instead of the Brannon Crossing Partners office, it allowed FU to conceal evidence of the fraudulent

loan's existence from Brannon Crossing's manager, Yi Wang, and its sole member, Ninglanta. In addition to Brannon Crossing Partners, this misdirection of mail associated with the unauthorized loan for Shoppes at Brannon Crossing allowed FU to continue in her scheme to defraud other, then-existing INVESTMENT COMPANIES, as well the INVESTMENT COMPANIES established after the formation of Brannon Crossing Partners.

CONCLUSION

37. This affidavit is intended to establish probable cause and does not set forth all of my knowledge about this matter.
38. Based on the information set forth in this affidavit, I respectfully assert that probable cause exists to believe that on or about November 20, 2017, FU committed the offense of Mail Fraud, in violation of Title 18, United States Code, section 1341.

EXHIBIT A

Company-Member-Property Table

COMPANY	MEMBERS/INVESTORS ¹		PROPERTY & LOSSES ²
Intelligent Investment International, LLC	Name	Initial Capital	Shoppes at Mall of Georgia
	Wengang Yu	\$586,500	2815 Buford Drive, Buford, GA
	Kaiyou Lin	\$703,800	
	Dayin Li	\$351,900	LOSSES
	Yi Wang	\$117,300	Personal \$152,736.16
	Sigang Zhang	\$586,500	
	Total	\$2,346,000	
Brannon Crossings Partners LLC	Name	Initial Capital	Shoppes at Brannon Crossing
	NINGLANTA INDUSTRY, INC.	\$15,000,000	405 Peachtree Parkway, Cumming, GA
	Total	\$15,000,000	LOSSES
			Loan \$6,000,000.00 Personal \$200,000.00
Walks at Johns Creek Partners LLC	Name	Initial Capital	Sugarloaf Center
	Jacob T Fu	\$1,710,354	1950 Satellite Blvd., Duluth, GA
	Tan-Yu & Annie Lee	\$624,937	[Not Purchased]
	Larina Hsiu-Lan Lin	\$411,143	
	Wanjiong Lin	\$542,709	LOSSES
	Total	\$3,289,143	Capital \$3,289,143.00 Personal \$38,000.00
Windward Market Forest LLC	Name	Initial Capital	Market Forest Shops
	Yu Shi	\$456,681	6195 Windward Pkwy, Alpharetta, GA
	Jiang Bian	\$456,681	
	Fangfang Guo	\$456,681	LOSSES
	Kaiyou Lin	\$456,681	Overage \$400,000.00 Personal \$200,000.00
	Deyin Li	\$342,511	
	Capital Investments	\$114,170	
	Total	\$2,283,405	
Palisades West Paces Partners LLC	Name	Initial Capital	North Atlanta Primary Care condominium
	ChenChao Wang	\$459,167	3200 Downwood Circle, Unit 200, Atlanta, GA
	Kaiyou Lin	\$459,167	[Not Purchased]
	Fangfang Guo	\$459,167	
	Joshua Fu	\$72,500	LOSSES
	Total	\$1,450,001	Capital \$1,450,001.00 Personal \$80,000.00

GII Spalding Plaza LLC	Name	Initial Capital	Spalding Plaza shopping center 6470 Spalding Drive, Norcross, GA		
	Goldenfield Industry Inc.	\$5,170,000			
	Total	\$5,170,000			
	LOSSES				
		Loan	\$2,665,000.00		
Cooper Village Partners LLC	Name	Initial Capital	Cooper Village Retail Center 1132-1142 Athens Highway, Grayson, GA		
	Chang Yu	\$1,046,095			
	Wengang Yu	\$538,431			
	Kaiyou Lin	\$538,431			
	Qiongyang Li	\$276,908	LOSSES		
	Chenchoa Wang	\$276,908		Overage	\$300,000.00
	Wenling Zhao	\$276,908		Personal	\$51,850.00
	Tan-Yu Lee	\$46,151			
	Anni Lee	\$46,151			
	EMILY	\$30,768			
	Total	\$3,076,751			
Peachtree Med Building Partners, LLC	Name	Initial Capital	Peachtree Corners Medical Building 3780 Holcomb Bridge Rd, Norcross, GA		
	SiGang Zhang	\$372,242			
	Fang Han	\$372,242			
	Wenling Zhao	\$273,708			
	Kaiyou Lin	\$32,845			
	Jacob Fu	\$43,793			
	Total	\$1,094,830		LOSSES	
		Overage	\$450,000.00		
		Personal	\$45,000.00		
Eastside Med Partners LLC	Name	Initial Capital	Eastside Digital Imaging building 3445 Highway 81 South, Loganville, GA		
	Kaiyou Lin	\$636,000			
	Chang Yu	\$636,000			
	Fangfang Guo	\$318,300			
	Deyin Li	\$318,300	[Not Purchased]		
	Yajun Sun	\$318,300			
	Lina Xiao	\$318,300			
	Yu Shi	\$222,810	LOSSES		
	Xiaohua Yao	\$222,810		Capital	\$3,181,800.00
	Yi Wang	\$95,490	Personal	\$163,000.00	
	Capital Investments International Inc.	\$95,490			
	Total	\$3,181,800			

1. Members/Investors was based on each Company's Operating Agreement.
2. Losses are based on discrepancies identified with respect to purchase of property, purchase prices, existence of unauthorized loans and/or reported admissions by Emily Fu.