

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

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**UNITED STATES OF AMERICA**

**v.**

**PAUL J. MANAFORT, JR.,**

**Defendant.**

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) **Criminal No. 17-cr-201-1 (ABJ)**  
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**PETITION AND REQUEST FOR ANCILLARY HEARING  
AND RELATED RELIEF PURSUANT TO 21 U.S.C. § 853(n)**

Stephanie L. Brooker  
(D.C. Bar No. 475321)  
David A. Schnitzer  
(D.C. Bar No. 1022420)  
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On October 10, 2018, the Court entered a Consent Order of Forfeiture (Dkt. 443) identifying multiple properties as subject to forfeiture to the United States in the above-styled case. On October 11, 2018, the United States provided notice of that order to Petitioner UBS Bank USA (“BUSA”). BUSA, by and through its undersigned counsel, hereby timely petitions this Court for an ancillary hearing to adjudicate its interest in the below described forfeited property and to amend the Preliminary Order of Forfeiture entered herein on October 10, 2018, pursuant to 21 U.S.C. § 853(n). In support of its petition, BUSA states as follows:

1. Petitioner hereby asserts its interest in the real property subject to forfeiture to the United States that is located at 721 Fifth Avenue, #43G, New York, NY 10022 (“the Property”), and more particularly described as:

**The residential Unit (The “Unit”) known as Unit No. 43-G, in the premises known as Trump Tower Condominium and by the street numbers 721-725 Fifth Avenue, Borough of Manhattan, City, County and State of New York, being designated and described as Unit No. 43-G in the Declaration Establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (“The New York Condominium Act”) dated 2/24/1983 and recorded in the New York County Office of the Register of the City of New York (The “City Register’s Office”) on 3/23/1983 in Reel 674, Page 848 (Hereinafter, referred to as the (“Declaration”) and also designated as Tax Lot 1112 in Block 1292 of Section 5 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans of building, certified by Swanke Hayden Connell and Partners, Architects, on 2/2/1983 and filed with the Real Property Assessment Department of the City of New York on 3/18/1983 as Condominium Plan No. 86 and also filed in the City Register's Office on 3/23/1983 as Condominium Plan No. 86.**

**Together with an undivided .2644227 percent interest in the common elements (as such term is defined in the declaration)**

**The premises in which the unit is located is more particular described herein as Parcel A.**

**PARCEL A:**

**All that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, Bounded and described as follows:**

**Beginning at the corner formed by the intersection of the Northerly side of East 56th Street with the Easterly side of Fifth Avenue;**

**Running thence Easterly along the said Northerly side of East 56th Street, 175 feet;**

**Thence Northerly parallel with said Easterly side of Fifth Avenue and part of the distance through A Party Wall, 100 feet 5 inches to the Center Line of the Block;**

**Thence Westerly along said Center Line of the Block, 50 Feet;**

**Thence Northerly parallel with the Easterly side of Fifth Avenue, 15 Feet;**

**Thence Westerly parallel with the Northerly side of East 56 Street 125 feet to the Easterly side of Fifth Avenue, and**

**Thence Southerly along the Easterly side of Fifth Avenue, 115 feet 5 inches to the point or place of Beginning.**

**PARCEL B: (AFFECTS COMMON ELEMENTS)**

**All that certain lot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:**

**Beginning at a point on the Southerly side of East 57th Street, distant 125 Feet Easterly from the intersection of the Easterly side of Fifth Avenue and the Southerly side of 57th Street;**

**Thence Southerly and parallel with the Easterly side of Fifth Avenue, 100 feet 5 inches;**

**Thence Easterly and parallel with the Southerly side of 57th Street, 50 Feet;**

**Thence Northerly and again parallel with the Easterly side of Fifth Avenue, 100 feet 5 inches to the Southerly side of 57th Street;**

**Thence Westerly along the Southerly side of 57th Street 50 feet to the point or place of Beginning.**

**APN: Block 1292, Lot 1112**

2. BUSA is the holder of a mortgage on the Property, which was given by the Defendant, Paul J. Manafort, and his spouse Kathleen Manafort, on April 7, 2015, and recorded in the Office of the City Register of the City of New York on or about April 30, 2015 under City Register File Number (“CRFN”) 2015000145747 (the “Mortgage”). A true and correct copy of the Mortgage is attached to this Petition as Exhibit A.

3. The Mortgage secures funds issued pursuant to an adjustable rate note, dated April 7, 2015, in the original amount of \$3,000,000.00, with an initial interest rate of 2.055% per year on the unpaid principal of the loan (the “Note”). The Note was executed and delivered by the Defendant, Paul J. Manafort, and his spouse Kathleen Manafort. A true and correct copy of the Note is attached to this Petition as Exhibit B.

4. The terms of the Note require that the Defendant, beginning on June 1, 2015, pay interest only on the unpaid principal balance of the Note, until April 30, 2025. Ex. B ¶ 3(A). Thereafter, the Defendant is required to pay principal and interest, by making payments on the first day of each month, until all of the principal and interest, and any other applicable charges, have been paid. *Id.* If, on May 1, 2040, amounts are still due under the Note, those amounts will be paid in full on that date. *Id.* The interest rate is variable each month. *Id.* ¶ 4.

5. The Mortgage and Note are in default. As of November 1, 2018, there is due and owing on the Note a principal balance of \$3,000,000.00, together with interest in the amount of \$108,437.49, late fees (totaling \$448.75), other fees (totaling \$995), and attorneys’ fees. Interest will continue to accrue at the variable rate. For the month of November 2018, the interest rate on the Note is 4.125%, equaling per diem interest of \$343.75.

6. Pursuant to 21 U.S.C. § 853(n)(6):
  - a. BUSA has a vested or superior interest in the Property, and said interest “was vested in the petitioner rather than the defendant or was superior to any right, title, or interest of the defendant at the time of the commission of the acts which gave rise to the forfeiture of the property under this section”; and
  - b. BUSA is a “bona fide purchaser for value of the right, title, or interest” in the Property and was “at the time of purchase reasonably without cause to believe that the property was subject to forfeiture.”

For the reasons stated above, BUSA seeks relief of forfeiture, and requests that the Court hold a hearing ancillary to the criminal proceeding at which BUSA may testify and present evidence and witnesses on its own behalf pursuant to 21 U.S.C. § 853(n)(5). BUSA further requests that this Court amend its preliminary order of forfeiture dated October 10, 2018 to fully recognize BUSA’s interest, as set forth herein.

Dated: November 2, 2018

Respectfully submitted,

/s/ Stephanie L. Brooker  
Stephanie L. Brooker  
(D.C. Bar No. 475321)  
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**DECLARATION PURSUANT TO 21 U.S.C. § 853(n)(3)**

I, Shashank Gupta, am a Managing Director at UBS Bank USA. I am authorized to make this declaration on behalf of UBS Bank USA.

Pursuant to 21 U.S.C. § 853(n)(3) and 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the facts set forth in this petition are true and correct.

Executed on November 1, 2018.

  
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Shashank Gupta

**CERTIFICATE OF SERVICE**

I hereby certify that on the 2nd day of November, 2018, I caused a copy of the foregoing to be filed through the CM/ECF system, causing the government and counsel for the Defendant to be served by electronic means.

I further certify that a true and correct copy of the foregoing was emailed on the 2nd day of November, 2018, and will be hand-delivered on the 5th day of November, to the following parties:

Andrew Weissman  
Office of the Special Counsel  
950 Pennsylvania Avenue, N.W.  
Washington, D.C. 20530

Daniel Claman  
Money Laundering and Asset Recovery Section  
U.S. Department of Justice  
1400 New York Avenue, N.W.  
Suite 10100  
Washington, D.C. 20530

/s/ Stephanie L. Brooker  
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