

2014
COMMERCIAL
REAL ESTATE
AWARDS

Join us as we unveil the **biggest, best & most notable** real estate projects of 2013.

Awards Reception: **Tuesday, February 18, 2014**
6:00pm – 8:30pm • Hyatt Regency Century Plaza

CLICK HERE TO REGISTER NOW!

HOME NEWS

[print](#) [email](#)

GET EMAIL NEWS ALERTS



>>

Trustee Sought In EB-5 Case

Law : Creditors of jailed law yer Justin Lee file as feds probe.
By **ALFRED LEE**

Monday, January 20, 2014

ARCHIVE



Justin Lee at the groundbreaking for Nexsun Ethanol in Ulysses, Kan.

Former clients of Los Angeles attorney Justin Lee, who became the latest poster child for problems in a federal visa program when he was arrested by South Korean authorities for fraud last summer, are now tackling a new challenge: how to get their money back from someone detained overseas.

With Lee still in jail in Korea awaiting a criminal trial, another half-dozen former clients have come forward in recent weeks and are attempting to push him and his U.S. companies into

receivership to recover more than \$3 million. A hearing has been set for July.

“We want to track down the assets. The money has to have gone somewhere,” said Daniel Park, an attorney representing the six former clients.

“We believe some of the assets and funds are still in the United States.”

Other past clients have won judgments or settled cases against Lee, but have not been able to collect and it is unclear how much money is left, or where it went. Some believe appointing a receiver could help trace those assets.

The civil action comes as several federal agencies have started to come after Lee. Park said California State Bar prosecutors had directed his clients to an FBI investigator and that an FBI investigator had attempted to reach him.

Korean-language media in the United States has reported that the FBI raided Lee’s law offices in Koreatown last year, and that South Korean authorities are cooperating with the FBI and U.S. Immigrations and Customs Enforcement. ICE, according to a source with knowledge of the probe, has an ongoing investigation into Lee.

Spokespeople for the FBI and ICE declined to comment.

In addition, Yongo Hwang, a former Lee client, and Thomas Kent, a former attorney at Lee’s firm, both confirmed to the Business Journal that they were contacted by Securities and Exchange Commission investigators last year.

The federal probes come after Lee, acting as both an attorney and developer, received tens of millions of dollars from at least 40 investors in South Korea and China participating in the EB-5 visa program, which allows foreigners to obtain green cards in the United States in exchange for job-creating investments.

He promised to use the money to build biofuel projects across the country, and was even asked to speak before members of Congress about energy issues. But not one of the plants was ever finished. Clients lost money and their visas, and have since claimed that money from newer investors was

YOU MAY ALSO LIKE

- South Korea Holds Lawyer Suspected of Fraud
- Middle Man Finds Seat at Table With Restaurants
- Betting Big
- Green Card Means ‘Go’ to Investors
- Developer Money Crosses the Lines?
- Corn Crunch Isn't Slowing Ethanol Firm
- Korean Financial Adviser Sentenced
- Update: FBI Arrests OC Financier

LOS ANGELES BUSINESS JOURNAL

Podcasts by Charles Crumpley

[click here](#)

used to pay off previous investors in a Ponzi-like scheme.

Page 1 of 2

Prev Next

BROWSE MORE

[Classified](#)
[The Lists Archives](#)
[Poll Archive](#)

LEARN MORE

[About Us](#)
[Privacy Policy](#)
[Contact Us](#)
[Edit Profile](#)

SERVICES

[Subscription Center](#)
[Online Login/Register](#)
[Advertise with Us](#)
[Sign-Up for E-News Updates](#)

TOOLS

[Calendar](#)
[New Business Licenses](#)

OTHER JOURNALS

[Orange County Business Journal](#)
[San Diego Business Journal](#)
[San Fernando Valley Business Journal](#)