

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

- - - - -X  
:  
UNITED STATES OF AMERICA :  
:  
- v - :  
:  
ELIEZER TILSON, :  
:  
Defendant. :  
:  
- - - - -X

**INFORMATION**

23 Cr. \_\_\_\_\_ ( )

**COUNT ONE**

**(Travel Act)**

The United States Attorney charges:

**BACKGROUND**

1. Unless stated otherwise, at all times relevant to this Information:

a. ELIEZER TILSON, the defendant, was a resident of Israel.

b. Pancho Real Estate Capital, LLP and Pancho Memory Care REIT, LLC were entities controlled by TILSON.

c. Victim 1 and Victim 2 (collectively, the "Victims") were investors living in Brooklyn, New York. The Victims each invested in the development of elder care facilities promoted by TILSON named, respectively, Pancho Memory Care and Pancho Tomball, prior to the time period relevant to this Information.

d. The Domus Multifamily Real Estate Trust No. 2

("Domus II") was an investment fund that focused on multifamily residential real estate projects in the United States. Domus II had contracted to buy two properties in or near Phoenix, Arizona. Domus II had no relationship to Pancho Memory Care, Pancho Tomball, Pancho Real Estate Capital, LLP or Pancho Memory Care REIT, LLC other than TILSON's solicitation of funds on behalf of these entities.

#### **USE OF INTERSTATE FACILITIES**

2. In or about October 2019, ELIEZER TILSON, the defendant, solicited investments in Domus II from each of the Victims. TILSON and the Victims met for dinner in a restaurant in Manhattan to discuss Domus II on or about October 30, 2019.

3. On or about October 31, 2019, ELIEZER TILSON, the defendant, instructed the Victims to wire their funds for investment in Domus II to an account held by Pancho Real Estate Capital, LLP that was controlled by TILSON and was domiciled in New Jersey.

4. On or about November 1, 2019, Victim 1 wired \$150,000 as an investment in Domus II from a bank account domiciled in New York to the account designated by ELIEZER TILSON, the defendant. Victim 1 wired an additional \$250,000 as an additional investment in Domus II from the same New York account to the same account designated by TILSON on or about

November 4. Victim 2 wired \$150,000 on or about November 1, 2019 and an additional \$100,000 on or about November 5, 2019, both from a bank account domiciled in New York, as investments in Domus II to the account designated by TILSON.

5. ELIEZER TILSON, the defendant, never transmitted any of the Victims' funds to Domus II. Instead, between on or about November 1, 2019 to on or about November 5, 2019, TILSON wired a total of \$396,000 from the Pancho Real Estate Capital, LLP account in New Jersey to an account held by Pancho Memory Care REIT, LLC in New Jersey. Between on or about November 1, 2019 to on or about November 4, 2019, TILSON transmitted funds from the Pancho Memory Care REIT, LLC account to Victim 1 and individuals and entities in the Southern District of New York and elsewhere in amounts exceeding \$10,000 as dividends on their investments in Pancho Memory Care or as payments on prior debt incurred by entities unrelated to Domus II. Prior to the wire of \$396,000 from the Pancho Real Estate Capital, LLP account, the Pancho Memory Care REIT, LLC account did not have sufficient funds with which to make these transfers.

6. On or about November 12, 2019, the Victims asked why their funds had not arrived at Domus II. On or about November 13, 2019, ELIEZER TILSON, the defendant, falsely stated in relevant part to the Victims in an email sent in foreign

commerce that:

I spoke to the [promoter of Domus II] first thing . . . and I assure you that the funds are definitely not floating anywhere. We have the funds and you are very much part of the deal . . . I feel like there have been a few admin failures on my part recently which should not be.

7. On or about November 23, 2019, ELIEZER TILSON, the defendant, falsely stated in relevant part to the Victims in an email sent in foreign commerce that:

First of all 100% this is just technical I initiated the wire to [the promoter of Domus II] and it has not gone through yet. I have had issues in the past with [TILSON'S bank].

8. On or about November 25, 2019, ELIEZER TILSON, the defendant, sent Victim 1 via email sent in foreign commerce a document purportedly from his bank showing a balance of \$837,956.26 in the Pancho Real Estate Capital, LLP account to which the Victims had wired their money. That account was overdrawn as of that date.

9. On or about November 26, 2019, ELIEZER TILSON, the defendant, falsely stated in relevant part in an email sent in foreign commerce to the Victims that:

Please see attached message confirming that the \$400,000 went out to [Victim 1] and also I sent an update Available balance. I am not sure why but I did not receive a message for [Victim 2] yet, I will follow up first thing in the morning. I definitely sent for both. I should get another message at one

point today which has the confirmation number on in it. Once I receive it, I will send it to you. [Victim 2,] I am on it first thing in the AM for you to make sure this goes through.

Attached to the email were: a) a purported bank document falsely indicating that an ACH payment for \$400,000 had been made on or about November 25, 2019 to Victim 1's account; and b) a purported bank document falsely indicating that the Pancho Real Estate Capital, LLP account had a balance of \$437,931.26 when the balance of that account was negative.

10. In a telephone call with the Victims on or about December 2, 2019, ELIEZER TILSON, the defendant, responded to a question about where the Victims' money had gone by stating in substance and in part "I, I, I used it to bridge other things, and I was planning on money coming in right away to get you Domus."

#### **STATUTORY ALLEGATION**

11. From in or about October 2019 to in or about December 2019, in the Southern District of New York and elsewhere, ELIEZER TILSON, the defendant, knowingly used and caused to be used facilities in interstate and foreign commerce with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment, and carrying on, of an unlawful activity, namely engaging in

monetary transactions in property derived from fraud in the sale of securities, a specified unlawful activity, in violation of Title 18, United States Code, Section 1957, and thereafter did perform and attempt to perform an act to promote, manage, carry on, and to facilitate the promotion, management, establishment, and carrying on of such unlawful activity, to wit TILSON converted the Victims' funds to his own use by sending multiple wires of funds in amounts exceeding \$10,000 and by sending emails to assure the Victims their funds would be returned to them.

(Title 18, United States Code, Sections 1952(a)(3) and 2.)

**FORFEITURE ALLEGATION**

12. As the result of committing the Travel Act offense in violation of Title 18, United States Code, Section 1952 as charged in Count One of this Information, ELIEZER TILSON, the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offense.

**Substitute Asset Provision**

13. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
  - b. has been transferred or sold to, or deposited with, a third person;
  - c. has been placed beyond the jurisdiction of the Court;
  - d. has been substantially diminished in value;
- or
- e. has been comingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

(Title 18, United States Code, Section 981(a)(1)(C);  
Title 21, United States Code, Section 853(p);  
Title 28, United States Code, Section 2461.)

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DAMIAN WILLIAMS  
United States Attorney