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Manhattan Prosecutors Seek Records About Trump's Seven Springs Estate

District attorney's office sends subpoenas to officials in Westchester, N.Y., marking expansion of criminal probe



President Trump's Seven Springs estate in New York's Westchester County.

PHOTO: JOHNNY MILANO FOR THE WASHINGTON POST/GETTY IMAGES

By [Corinne Ramey](#)

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Manhattan prosecutors have subpoenaed records relating to President Trump's sprawling Seven Springs estate north of New York City, according to people familiar with the matter, expanding the known scope of the only publicly disclosed criminal investigation into the president and his business.

Some of the information requested by Manhattan prosecutors relates to the president's valuation of Seven Springs, which he bought for \$7.5 million in 1995 and in 2012 said was worth almost \$300 million as he tried to develop it into a luxury residential community. Inflating assets to help secure loans or other financial benefits can be a state criminal offense, legal experts said.

Prosecutors from the office of Manhattan District Attorney Cyrus Vance Jr. in recent weeks have sent subpoenas to local officials in the three Westchester County towns—New Castle, North Castle and Bedford—in which the Seven Springs estate sits, the people said. The people said the subpoenas request tax assessments, email correspondence, planning-board materials and other documents about the 213-acre property, with a mansion built in 1919 for former Federal Reserve chairman Eugene Meyer.

The probe is among several legal threats Mr. Trump could face when he leaves office on Wednesday. Though some legal experts say it is possible that Mr. Trump could pardon himself for federal crimes, that power doesn't extend to state charges brought by a district attorney.

Mr. Vance's office has said in court filings seeking Mr. Trump's tax records that it is investigating possible bank, tax and insurance fraud. The U.S. Supreme Court ruled Mr. Vance is entitled to obtain the records, though the president's lawyers have blocked their release so far with a second appeal to the high court on different grounds.

A lawyer for the Town of North Castle confirmed receiving a subpoena. New Castle's town administrator declined to comment. Bedford's town attorney said the town was cooperating with the district attorney's office.

A lawyer for Mr. Trump and a lawyer for the Trump Organization both declined to comment. The president has called the investigation by Mr. Vance, a Democrat, a partisan witch hunt.

The Manhattan district attorney's office declined to comment.

The Trump Organization spent about two decades unsuccessfully attempting to develop Seven Springs. The company first attempted to build a golf course on the property, but dropped its plans after opposition from local residents. It then spent years working to gain approvals for a subdivision of luxury homes.

Mr. Trump valued the property at \$261 million in 2011 and \$291 million in 2012, according to documents he called his "statement of financial condition," a collection of financial information compiled but not audited by his accountants. Those figures were based on "an assessment made by Mr. Trump in conjunction with his associates and outside professionals" and took into account revenue he could earn from future development, according to the statements, which were reviewed by The Wall Street Journal.

The office of New York Attorney General Letitia James, which is also investigating Seven Springs as part of a civil-fraud probe, has said it determined Mr. Trump's statements of financial condition were provided to financial institutions, according to court documents the attorney general's office has filed in connection with its probe. A spokeswoman for the Trump Organization has said the probe by Ms. James, a Democrat, is politically motivated.

An appraisal prepared by real-estate services firm Cushman & Wakefield and sent to Mr. Trump in 2016 valued the property at \$56.5 million based on what the appraisers cited as its development potential. That appraisal valued the property's conservation easement, or land that an owner has agreed not to develop, at \$21.1 million. Taxpayers are sometimes eligible for a one-time tax deduction after making such an agreement.

A lawyer for Ms. James's office said in court in October that Seven Springs LLC, which is owned by the Trump Organization, claimed the easement as a tax deduction in 2015.

Local 2020 tax-assessment rolls place Seven Springs' assessed value—the amount used to calculate property taxes—at about \$1.4 million and its market value—an estimate of what it is worth—at about \$19 million. The Trump Organization last year began exploring selling the property, The Wall Street Journal has previously reported.

Manhattan prosecutors are also examining whether Mr. Trump improperly classified the property on tax documents, according to a person familiar with the matter. The New York Times reported that in 2014, Mr. Trump classified Seven Springs as an investment property, which allows for certain tax benefits, instead of a personal residence. The Trump Organization website says the estate is used as a retreat for the Trump family.

Prosecutors from Mr. Vance's office have previously sought information from the president's longtime lender, Deutsche Bank AG, and his insurance broker, Aon PLC. A spokeswoman for Aon confirmed the firm had received a subpoena. Prosecutors have also subpoenaed Deutsche Bank and interviewed firm employees, according to a person familiar with the matter.

Neither firm has been accused of wrongdoing. After the Jan. 6 Capitol riot, the Aon spokeswoman said the firm had ended its relationship with the Trump Organization. Deutsche Bank intends to stop doing business with Mr. Trump after his current loans expire in several years, said the person familiar with the matter.

—*Deanna Paul contributed to this article.*

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