Mueller Expands Probe to Trump Business Transactions

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July 20, 2017, 10:31 AM EDT
Updated on July 20, 2017, 1:16 PM EDT

→ Special counsel examines dealings of Kushner, Manafort, Trump

→ Trump lawyer says this goes beyond Mueller's mandate

The U.S. special counsel investigating possible ties between the Donald Trump <https://www.bloomberg.com/billionaires/id/1252249> campaign and Russia in last year's election is examining a broad range of transactions involving Trump's businesses as well as those of his associates, according to a person familiar with the probe.

FBI investigators and others are looking at Russian purchases of apartments in Trump buildings, Trump's involvement in a controversial SoHo development in New York with Russian associates, the 2013 Miss Universe pageant in Moscow and Trump's sale of a Florida mansion to a Russian oligarch in 2008, the person said.

The investigation also has absorbed a money-laundering probe begun by federal prosecutors in New York into Trump's former campaign chairman Paul Manafort.

Trump, Ross and Kushner attend a meeting at the White House on Feb. 2, 2017. Photographer: Drew Angerer/Getty Images

John Dowd, one of Trump's lawyers, said on Thursday that he was unaware of the inquiry into Trump's businesses by the two-months-old investigation and considered it beyond the scope of what Special Counsel Robert Mueller should be examining.

"Those transactions are in my view well beyond the mandate of the Special counsel; are unrelated to the election of 2016 or any alleged collusion between the Trump campaign and Russia and most importantly, are well beyond any Statute of Limitation imposed by the United States Code," he wrote in an email.

Markets Fall

Major U.S. stock indices, which had been trading higher in the morning, fell <https://www.bloomberg.com/news/articles/2017-07-19/asia-stocks-point-higher-before-boj-ecb-decisions-markets-wrap> as traders worried that the probe could derail Trump's growth agenda. The dollar fell against the euro and U.S. government bonds rose.

The president told the New York Times on Wednesday that any digging into matters beyond Russia would be out of bounds. Trump's businesses have involved Russians for years, however, making the boundaries fuzzy.

The Justice Department's May 17 order <https://www.justice.gov/opa/press-release/file/967231/download> to Mueller instructs him to investigate "any links and/or coordination between the Russian government and individuals associated with the campaign" as well as "any matters that arose or may arise directly from the investigation," suggesting a relatively broad mandate.

<https://www.bloomberg.com/features/trump-daily/#/>

The Daily Trump: Tracking the 45th President <https://www.bloomberg.com/features/trump-daily/#/>

Agents are interested in dealings with the Bank of Cyprus <https://www.bloomberg.com/quote/BOCH:LN> , where Wilbur Ross <https://www.bloomberg.com/billionaires/id/1414869> served as vice chairman before he became commerce secretary. In addition, they are examining the efforts of Jared Kushner, the President's son-in-law and senior aide, to secure financing for some of his family's real-estate properties. The information about the investigation was provided by someone familiar with the developing inquiry but not authorized to speak publicly.

The roots of Mueller's follow-the-money investigation lie partly in a wide-ranging money-laundering probe launched by then-Manhattan U.S. Attorney Preet Bharara last year, according to the person.

For more on the Trump-Russia investigations, see this Q&A <https://www.bloomberg.com/politics/articles/2017-05-09/unwinding-the-twists-turns-in-trump-russia-probe-quicktake-q-a>

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FBI agents already had been gathering information about Manafort, according to two people with knowledge of that probe. Prosecutors hadn't yet begun presenting evidence to a grand jury. Trump fired Bharara in March.

The Manafort inquiry initially focused on actions involving a real-estate company he launched with money from Ukraine in 2008. By the time Bharara was fired, his office's investigation of possible money laundering extended well beyond that, according to the person briefed on the Mueller probe.

The Bharara investigation was consolidated into Mueller's inquiry, showing that the special counsel is taking an overarching approach. The various financial examinations constitute one thread of Mueller's inquiry, which encompasses computer hacking and the dissemination of stolen campaign and voter information as well as the actions of former National Security Adviser Michael Flynn.

Joshua Stueve, Mueller's spokesman, declined to comment, as did a Manafort spokesman and Abbe Lowell, a lawyer for Kushner.

Spokesmen for the White House, Trump Organization <https://www.bloomberg.com/quote/3603126Z:US> and Ross didn't immediately respond to requests for comment.

Evade Taxes

Mueller's team is looking at the Trump SoHo hotel condominium development, which was a licensing deal with Bayrock Capital LLC. In 2010, the former finance director of Bayrock filed a lawsuit claiming the firm structured transactions in fraudulent ways to evade taxes. Bayrock was a key source of capital for Trump projects, including Trump SoHo.

The 2013 Miss Universe pageant is of interest because a prominent Moscow developer, Aras Agalarov, paid $20 million to bring the beauty spectacle there. About a third of that sum went to Trump in the form of a licensing fee, according to Forbes magazine. At the event, Trump met Herman Gref, chief executive of Russia's biggest bank, Sberbank PJSC. Agalarov's son, Emin, helped broker a meeting last year between Donald Trump Jr. and a Russian lawyer who was said to have damaging information about Hillary Clinton and her campaign.

Another significant financial transaction involved a Palm Beach, Florida, estate Trump purchased in 2004 for $41 million, after its previous owner lost it in bankruptcy. In March of 2008, after the real-estate bubble had begun losing air, Russian fertilizer magnate Dmitry Rybolovlev <https://www.bloomberg.com/billionaires/id/6957015> bought the property for $95 million.

As part of their investigation, Mueller's team has issued subpoenas to banks and filed requests for bank records to foreign lenders under mutual legal-assistance treaties, according to two of the people familiar with the matter.

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