

UNITED STATES DISTRICT COURT

for the

Southern

District of

Florida

United States of America

v.

Rishi Kapoor

Defendant

Case No. 26-CR-20073

ORDER OF DETENTION PENDING TRIAL

Part I - Eligibility for Detention

Upon the

- A. Motion of the Government for a detention hearing pursuant to 18 U.S.C. § 3142(f)(1) because the defendant is charged with:
(1) a crime of violence, a violation of 18 U.S.C. § 1591, or an offense listed in 18 U.S.C. § 2332b(g)(5)(B) for which a maximum term of imprisonment of 10 years or more is prescribed; or
(2) an offense for which the maximum sentence is life imprisonment or death; or
(3) an offense for which a maximum term of imprisonment of 10 years or more is prescribed in the Controlled Substances Act (21 U.S.C. §§ 801-904), the Controlled Substances Import and Export Act (21 U.S.C. §§ 951-971), or Chapter 705 of Title 46, U.S.C. (46 U.S.C. §§ 70501-70508); or
(4) any felony if such person has been convicted of two or more offenses described in Subparagraphs (1) through (3) of this paragraph or two or more of such offenses if a circumstance giving rise to federal jurisdiction had existed, or a combination thereof; or
(5) any felony that is not otherwise a crime of violence but involves (a) a minor victim; (b) the possession of a firearm or destructive device (as defined in 18 U.S.C. § 921); (c) any other dangerous weapon; or (d) a failure to register under 18 U.S.C. § 2250;

OR

- B. Motion of the Government or the Court's own motion for a detention hearing pursuant to 18 U.S.C. § 3142(f)(2) because the case involves:
(1) a serious risk that the defendant will flee if released; or
(2) a serious risk that the defendant will obstruct or attempt to obstruct justice or threaten, injure, or intimidate, or attempt to threaten, injure, or intimidate a prospective witness or juror if released.

The Court found that the Government established one or more of the factors above, held a detention hearing, and found that detention is warranted. This order sets forth the Court's findings of fact and conclusions of law, as required by 18 U.S.C. § 3142(i), in addition to any other findings made at the hearing.

Part II - Findings of Fact and Law as to Presumptions under § 3142(e)

- A. Rebuttable Presumption Arises Under 18 U.S.C. § 3142(e)(2) (*previous violator*):** There is a rebuttable presumption that no condition or combination of conditions will reasonably assure the safety of any other person and the community because the following conditions have been met:
- (1) the defendant is charged with one of the following crimes described in 18 U.S.C. § 3142(f)(1):
 - (a) a crime of violence, a violation of 18 U.S.C. § 1591, or an offense listed in 18 U.S.C. § 2332b(g)(5)(B) for which a maximum term of imprisonment of 10 years or more is prescribed; **or**
 - (b) an offense for which the maximum sentence is life imprisonment or death; **or**
 - (c) an offense for which a maximum term of imprisonment of 10 years or more is prescribed in the Controlled Substances Act (21 U.S.C. §§ 801–904), the Controlled Substances Import and Export Act (21 U.S.C. §§ 951–971), or Chapter 705 of Title 46, U.S.C. (46 U.S.C. §§ 70501–70508); **or**
 - (d) any felony if such person has been convicted of two or more offenses described in subparagraphs (a) through (c) of this paragraph, or two or more State or local offenses that would have been offenses described in subparagraphs (a) through (c) of this paragraph if a circumstance giving rise to federal jurisdiction had existed, or a combination of such offenses; **or**
 - (e) any felony that is not otherwise a crime of violence that involves:
 - (i) a minor victim; (ii) the possession or use of a firearm or destructive device (as defined in 18 U.S.C. § 921); (iii) any other dangerous weapon; or (iv) a failure to register under 18 U.S.C. § 2250; **and**
 - (2) the defendant has been convicted of a federal offense that is described in 18 U.S.C. § 3142(f)(1), or of a State or local offense that would have been such an offense if a circumstance giving rise to federal jurisdiction had existed; **and**
 - (3) the offense described in paragraph (2) above for which the defendant has been convicted was committed while the defendant was on release pending trial for a federal, State, or local offense; **and**
 - (4) a period of not more than five years has elapsed since the date of conviction, or the release of the defendant from imprisonment, for the offense described in paragraph (2) above, whichever is later.
- B. Rebuttable Presumption Arises Under 18 U.S.C. § 3142(e)(3) (*narcotics, firearm, other offenses*):** There is a rebuttable presumption that no condition or combination of conditions will reasonably assure the appearance of the defendant as required and the safety of the community because there is probable cause to believe that the defendant committed one or more of the following offenses:
- (1) an offense for which a maximum term of imprisonment of 10 years or more is prescribed in the Controlled Substances Act (21 U.S.C. §§ 801–904), the Controlled Substances Import and Export Act (21 U.S.C. §§ 951–971), or Chapter 705 of Title 46 (46 U.S.C. §§ 70501–70508);
 - (2) an offense under 18 U.S.C. §§ 924(c), 956(a), or 2332b;
 - (3) an offense listed in 18 U.S.C. § 2332b(g)(5)(B) for which a maximum term of imprisonment of 10 years or more is prescribed;
 - (4) an offense under Chapter 77 of Title 18 (18 U.S.C. §§ 1581–1597) for which a maximum term of imprisonment of 20 years or more is prescribed; **or**
 - (5) an offense involving a minor victim under 18 U.S.C. §§ 1201, 1591, 2241, 2242, 2244(a)(1), 2245, 2251, 2251A, 2252(a)(1), 2252(a)(2), 2252(a)(3), 2252A(a)(1), 2252A(a)(2), 2252A(a)(3), 2252A(a)(4), 2260, 2421, 2422, 2423, or 2425.
- C. Application of Any Presumption Established Above**
- The defendant has not rebutted the presumption.
 - OR**
 - The defendant has rebutted the presumption.

Part III - Analysis and Statement of the Reasons for Detention

After considering any applicable presumption, the nature and circumstances of the defendant's alleged conduct, the defendant's history and characteristics, the other factors set forth in 18 U.S.C. § 3142(g), the information presented at the detention hearing, and the available conditions of release under 18 U.S.C. § 3142(c), the Court concludes that the defendant must be detained pending trial because the Government has proven:

- By clear and convincing evidence that no condition or combination of conditions of release will reasonably assure the safety of any other person and the community.
- By a preponderance of evidence that no condition or combination of conditions of release will reasonably assure the defendant's appearance as required.

The reasons for detention include the following checked items (*After this list, add any additional items or explanations as needed to comply with the requirement for a written statement of reasons under 18 U.S.C. § 3142(i).*):

- The offense charged is a crime of violence, a violation of § 1591, a federal crime of terrorism, or involves a minor victim or a controlled substance, firearm, explosive, or destructive device.
- Weight of evidence against the defendant is strong.
- Subject to lengthy period of incarceration if convicted.
- Lack of significant family or other ties to the community.
- Significant family or other ties outside the United States.
- Lack of legal status in the United States.
- Subject to removal or deportation after serving any period of incarceration.
- Lack of stable residence.
- Lack of stable employment.
- Lack of financially responsible sureties.
- Prior attempt(s) to evade law enforcement.
- Use of alias(es) or false documents.
- History of alcohol or substance abuse.
- Prior criminal history.
- History of violence or use of weapons.
- Prior violations of probation, parole, or supervised release.
- Prior failure to appear in court as ordered.
- On probation, parole, and/or release pending trial, sentence appeal, or completion of the sentence at the time of the alleged offense.
- Participation in criminal activity while on probation, parole, or supervision.
- The defendant's release poses serious danger to any person or the community.

OTHER REASONS OR FURTHER EXPLANATION:

The Court held a three-hour detention hearing on March 6, 2026, which included an extensive factual proffer provided by the Government and an extensive cross-examination by Defendant of Special Agent Austin Steelman from the Federal Bureau of Investigation. The Defendant is charged in a 37-count Indictment with the following offenses: conspiracy to commit wire fraud, in violation of 18 U.S.C. § 1349 (Count 1); wire fraud, in violation of 18 U.S.C. § 1343 (Counts 2-7); money laundering, in violation of 18 U.S.C. § 1957(a) (Counts 8-12); conspiracy to commit offense against, and to defraud, the United States, in violation 18 U.S.C. § 371 (Count 13); failure to account for and pay over trust fund tax, in violation of 26 U.S.C. § 7202 (Counts 14-25); attempt to evade or defeat tax, in violation of 26 U.S.C. § 7201 (Counts 26-27); failure to file tax returns, in violation of 26 U.S.C. § 7203 (Counts 28-32); and bank fraud, in violation of 18 U.S.C. § 1344 (Counts 33-37). At the hearing, the Government provided its calculation of Defendant's advisory sentencing guideline range (in which it assumed a "conservative" loss amount of between \$9.5 million and \$25 million), estimating the range to be between 151 and 188 months' imprisonment. Based on the evidence proffered at the hearing, the testimony on cross-examination, as well as the information contained within the Indictment and the pretrial services report and applying the factors within 18 U.S.C. § 3142(g), the Court finds that the Government has met its burden of establishing by a preponderance of the evidence that no condition or combination of conditions can reasonably assure the appearance of Defendant as required.

Looking at the nature and circumstances of the offense, the Court finds that the Defendant is facing serious charges in this matter. As described in greater detail below, the 37-count Indictment charges Defendant with involvement in multiple fraud, tax, and money laundering offenses involving millions of dollars and many victims. Further, the Government's estimate of the guideline range in this matter is a significant one. If convicted, the Government has estimated, using what it describes as a "conservative" figure for loss amount, at 151 to 188 months' imprisonment.

Turning to the weight of the evidence, the Court finds that the evidence here appears to be strong, as established by the grand jury's probable cause finding in the detailed Indictment and the exhibits corroborating the allegations in the Indictment that were admitted at the detention hearing. As noted above, the Indictment charges the Defendant with a number of different fraud schemes stemming from his real estate development company, Location Ventures. First, the Defendant is charged with conspiracy to commit wire fraud (Count 1) and substantive wire fraud (Counts 2-7) for making various misrepresentations to Location Ventures investors. Second, the Defendant is charged with money laundering the proceeds of the investment fraud scheme (Counts 8-12) by using the investor money to: buy two yachts, buy a 2.5 carat ring, and make a large interest payment on his Cocoplum home. Third, the Defendant is charged with conspiracy to defraud the United States and commit payroll tax fraud (Count 13), as well as substantive payroll tax fraud charges (Counts 14-25) for withholding his Location Ventures' employees payroll taxes but not remitting the payments to the Internal Revenue Service ("IRS"). *See* GX 3 (showing the Defendant had prior liens with the IRS for his taxes and payroll taxes). Fourth, the Defendant is charged with failing to file his own individual tax returns on the income he received from Location Ventures from 2019 through 2023 (Counts 28-32) and for willfully evading a tax due and owing above \$400,000 for tax years 2021 and 2022. *See* GX 1 (the IRS transcript confirming his failure to file returns from 2019-2023). Finally, Defendant is charged with bank fraud for submitting false documents to two different lenders, including fake bank statements falsely inflating his liquidity. *See* GX4 and GX5. Although Defendant advanced, through cross-examination, evidence that he was entitled to certain enumerated fees as part of his compensation, that evidence and the related argument address only one part of a multi-faceted wire fraud conspiracy scheme. It does not address or otherwise challenge the strength of the evidence as it relates to the other bases asserted in the Indictment for the wire fraud conspiracy charges - that the Defendant misrepresented his initial capital contribution in the company, concealed his own profit in the sale of a project

from investors, misused investor funds for one project on a different project, falsely told escrow agents he would use the excess of 10 percent condominium deposits on actual construction costs of that project, and falsely told investors he was paying payroll taxes to the IRS when he was not. These bases for the conspiracy to commit wire fraud charge were un rebutted at the detention hearing. Additionally, Defendant did not challenge the weight of the evidence as to any of the tax and bank fraud charges.

Looking at the Defendant's history and characteristics, the Court notes that Defendant currently owns no property in the District and was living in what appears to be an extended stay hotel in Broward County without a lease or other contractual obligation tying him in any way to the district, making it very easy for him to leave. Defendant also has significant ties outside the district, including in Georgia and the Bahamas.

Specifically, with respect to the ties to the Bahamas, Special Agent Steelman testified that, according to two witnesses, Defendant and his wife went to the Bahamas for about four months (from around May through August 2023) on their yacht during the Securities Exchange Commission ("SEC") investigation into the Defendant/Location Ventures. *See* GX7 (emails with yacht captain at that time). The Government argued that the timing of this multi-month departure on a yacht to a foreign country was linked to when Defendant learned of the SEC investigation whereas Defendant explained (and elicited testimony from Special Agent Steelman) that, according to one witness, Defendant's motivation for that travel was a threat from a Location Ventures investor. Although a lender later repossessed Defendant's yacht, the Government presented evidence from Defendant's wife's social media accounts in which she holds herself out as a real estate agent with access to properties in the Bahamas. *See* GX8. A January 2025 post also showed Defendant's wife posting that she was "with" a captain "In Saint Barthelemy" (a Caribbean island outside the United States) with pictures of a yacht, *see* GX8, further establishing that Defendant, through his wife, has a significant tie to a yacht that travels outside the United States. Special Agent Steelman testified that travel records for pleasure vehicles are not reliable and that the travel records for Defendant and his wife do not show any international travel after late 2023, even though Defendant's wife's social media indicates she was outside of the United States in January 2025. Given Defendant's ties to the Bahamas, the Government also proffered evidence that a representative of the Department of Justice, Office of International Affairs ("OIA"), assigned to the Bahamas, represented that although there is an extradition treaty between the United States and the Bahamas and that dual criminality covers several Title 18 fraud crimes, it was unclear whether dual criminality applied to Counts 28-32 of the Indictment for failure to file tax returns. The inference here is that the Bahamas may not agree to extradite a criminal defendant unless all counts within the Indictment comply with the dual criminality requirement of the treaty. The Government further proffered that, according to the OIA representative, a defendant can appeal an extradition order and that process takes approximately five to seven years and defendants can be released on bond during this appeal process.

Further addressing the personal history and characteristics of Defendant, the Court notes that Defendant, through his father, has significant access to financial resources. The Government proffered the testimony of Defendant's father during his deposition in his SEC proceedings in which he acknowledged having significant assets to which Defendant had access. *See* GX6. Specifically, Defendant's father testified that he gave Defendant "about \$8 million" for "all the ventures" related to Location Ventures and its projects. *See* GX 6 at 21. According to Defendant's father, he was not aware of whether he became a member of any entities when he provided the \$8 million to Defendant because: "It would be very insignificant to me compared to my other assets because my office building alone was worth \$30 million until my tenant moved out." *See* GX 6 at 64. Use of the word "alone" indicates this one asset (valued at the time at \$30 million) is only one of other assets held by Defendant's father. Although Defendant proffered at the hearing that the office building is now worth about \$14 million (because the building does not currently have a tenant), Defendant also proffered that his father has about \$7 million in equity in that building along with two homes in Georgia with approximately \$2.5 million in equity in those buildings. Given Defendant's access to such significant resources and Defendant's father's willingness to provide millions of dollars to his son to assist him with his ventures, such access to

resources could provide him with a means to flee, especially when coupled with his ties to a foreign country and his access to a yacht.

The Court recognizes that Defendant's history and characteristics also presented some mitigating factors. For example, Defendant is a United States citizen who is married, has never been previously arrested and has lived in the Southern District of Florida for 24 years. The Court also recognizes that after the SEC filed a civil complaint against him related to the Location Ventures investment fraud, Case No. 23-CV-24903, Defendant returned from the Bahamas to be deposed in that case. However, the Court also recognizes that returning for a deposition in a civil matter presents very different circumstances from appearing in court to defend against the criminal charges here that expose him to a potential sentence of 151 to 188 months, if convicted. His sentencing exposure is significant and provides a compelling reason for Defendant to flee that did not exist when he was only subject to the civil SEC case. The Court also notes that, at the hearing, Defendant proffered that he offered to "self-surrender" on the criminal charges, but the Government disputed the veracity of that assertion.

Notwithstanding these mitigating factors, for the reasons outlined above, the Court concludes the Government has met its burden of establishing by a preponderance of the evidence that no condition or combination of conditions can reasonably assure the appearance of the Defendant as required.

Part IV - Directions Regarding Detention

The defendant is remanded to the custody of the Attorney General or to the Attorney General's designated representative for confinement in a corrections facility separate, to the extent practicable, from persons awaiting or serving sentences or being held in custody pending appeal. The defendant must be afforded a reasonable opportunity for private consultation with defense counsel. On order of a court of the United States or on request of an attorney for the Government, the person in charge of the corrections facility must deliver the defendant to a United States Marshal for the purpose of an appearance in connection with a court proceeding.

Date: March 12, 2026



U.S. Magistrate Judge