

# Why An Unbuilt Moscow Trump Tower Caught Mueller's Attention

**Trump was chasing a lucrative Russian business deal.**

By [Reuters](#)

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An intriguing area of focus in Special Counsel Robert Mueller's investigation into the Kremlin's role in the 2016 U.S. election is a proposed Moscow real estate deal that Donald Trump pursued while running for president despite denying at the time any links to Russia.

The special counsel has revealed in court filings numerous details about the project, which never came to fruition. Further information has come from Michael Cohen, Trump's former personal lawyer who was instrumental in the negotiations, in congressional testimony and in his guilty plea to a charge of lying to Congress about the project.

Mueller's team said in a December 2018 court filing that "the Moscow Project was a lucrative business opportunity that sought, and likely required, the assistance of the Russian

government. If the project was completed, the Company (the Trump Organization) could have received hundreds of millions of dollars from Russian sources in licensing fees and other revenues."

The project is significant because it shows Trump was chasing a lucrative business deal in Russia at the same time that President Vladimir Putin's government, according to U.S. intelligence agencies, was conducting a hacking and propaganda campaign to boost his candidacy. The project also coincided with Trump's positive comments as a candidate about Putin and his questioning of U.S. sanctions against Russia.

Mueller is preparing to submit to U.S. Attorney General William Barr the report on his investigation into whether Trump's campaign conspired with Russia and whether the Republican president has unlawfully tried to obstruct the probe. Trump has denied collusion and obstruction. Russia has denied election interference.

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Here is an explanation of the Trump Moscow tower project and what the president has said about it.

### **What is Trump's history in Moscow?**

Trump, a wealthy New York real estate developer, had discussed expanding his business empire into Russia for more than three decades. In 2013, after visiting Russia and hosting his Miss Universe pageant there, he wrote on Twitter: "TRUMP TOWER-MOSCOW is next." The Trump Organization's longtime partner in the project was Felix Sater, a Russian-born, Brooklyn-raised real estate developer, according to company emails released to congressional investigators.

### **What was the Trump Tower Moscow project?**

Trump in October 2015 signed a non-binding letter of intent to move forward with a Moscow tower project with a Russian development firm. The firm, I.C. Expert Investment Co, agreed to construct the skyscraper, and the Trump Organization agreed to license its name and manage the building's operations. The letter of intent described a building in a Moscow business district with 250 luxury residential condominiums, at least 150 hotel rooms and a luxury spa.

Sater, who has served prison time in the United States for assault and later became an FBI informant on organized crime, assured Cohen in a November 2015 email he could get the Russian government to support a Trump property in Moscow.

"I know how to play it and we will get this done. Buddy our boy can become President of the USA and we can engineer it. I will get all of Putin's team to buy in on this," Sater told Cohen in that email.

Trump had announced his presidential candidacy in June 2015.

In testimony last month to the House of Representatives Oversight and Reform Committee,

Cohen said Sater came up with a "marketing stunt" of offering Putin a free penthouse in the tower to drive up unit prices, "no different than in any condo where they start listing celebrities that live in the property."

Cohen's House testimony portrayed Trump as keenly interested in completing the deal even as he campaigned for president. "Mr. Trump knew of and directed the Trump Moscow negotiations throughout the campaign and lied about it. He lied about it because he never expected to win the election. He also lied about it because he stood to make hundreds of millions of dollars on the Moscow real estate project," Cohen testified.

In his guilty plea, Cohen admitted he had lied to Congress in a 2017 letter that claimed he had only discussed the negotiations with Trump three times and that the project talks ended in January 2016. Cohen said he lied to Congress to minimize links between Trump and the project and give the false impression that the proposal had ended before key early milestones in the 2016 race to determine the Republican presidential nominee.

Cohen in his guilty plea said the project was discussed within the Trump Organization multiple times and that he spoke with Sater about obtaining Russian governmental approval as late as June 2016, after Trump had clinched the Republican nomination.

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### **Why did the negotiations end?**

Legal filings in Cohen's plea deal did not make clear why the negotiations ended. But June 2016 was the month when the Washington Post first reported that Russian hackers had penetrated the Democratic National Committee's computers, a cyber operation that was a key part of Moscow's interference in the presidential race, as described by U.S. intelligence.

One of Trump's lawyers, Rudy Giuliani, indicated in January 2019 that the Moscow tower discussions had continued through the November 2016 election, though he later backtracked.

### **What has Trump said?**

Trump's public statements about business dealings in Russia have evolved over time. In July 2016, Trump told a news conference: "I have nothing to do with Russia." Nine days before becoming president, Trump wrote on Twitter, "Russia has never tried to use leverage over me."

### **I have nothing to do with Russia - no deals, no loans, no nothing!"**

In November 2018, after Cohen's guilty plea, Trump told reporters that in 2016 he was in a position "to possibly do a deal to build a building of some kind in Moscow." Trump added, "There would be nothing wrong if I did do it. I was running my business while I was campaigning. There was a good chance that I wouldn't have won, in which case I would have gotten back into the business. And why should I lose lots of opportunities?" Cohen told the House panel Trump made clear to him that he should lie about when the negotiations ended.

Trump and his allies have called Cohen a liar trying to reduce his prison time after pleading

guilty to a series of federal criminal charges.

### **What role did Trump's children play?**

Cohen told the House panel that he briefed the president's son and daughter, Donald Trump Jr. and Ivanka Trump, about the tower negotiations. Donald Trump Jr., an executive at the Trump Organization, told Congress in September 2017 he was only "peripherally aware" of the talks during the campaign. Ivanka Trump, a former Trump Organization executive, told ABC News last month she knew "literally almost nothing" about the project, saying there were "40 or 50 deals like that were floating around, that somebody was looking at."

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