

# Cardone Capital, LLC Class Action Lawsuit

Company Name      Cardone Capital, LLC

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Class Period      Purchasers of interests in Cardone Equity Fund V, LLC and Cardone Equity Fund VI, LLC

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Motion Deadline      November 20, 2020

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Court      Central District of California

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The *Cardone Capital, LLC* class action lawsuit charges Cardone Capital and its Chief Executive Officer, Grant Cardone, with violations of the Securities Act of 1933. Filed in the Central District of California, the *Cardone Capital* class action lawsuit seeks to represent purchasers of interests in Cardone Equity Fund V, LLC (“Fund V”) and Cardone Equity Fund VI, LLC (“Fund VI”). The *Cardone Capital* class action lawsuit was commenced on September 16, 2020 and is captioned *Pino v. Cardone Capital, LLC*, No. 20-cv-08499.

Cardone Capital provides real estate investment opportunities to the so-called “everyday investor” through real estate crowdfunding. According to Cardone Capital’s website, Cardone Capital “finds the deals, negotiates the purchase and financing, and closes the deal,” generating rental payments from creditworthy tenants to pay monthly cash distributions to investors.

The *Cardone Capital* class action lawsuit alleges that, in addition to certain “test the waters” communications, defendants made materially false and misleading statements regarding: (1) whether investors would obtain a 15% internal rate of return on their investments; (2) the amounts of monthly distributions they would receive; and (3) investors’ debt obligations. The *Cardone Capital* class action lawsuit further alleges that defendants made materially false and misleading statements in the offering documents and omitted to state material facts relating to how the acquisition of properties to be owned by Fund V and Fund VI would be financed and the interest Cardone would charge the funds for loaning “the aggregate principal balance” to acquire those properties. Cardone Capital also represented to investors that it would pay monthly distributions based on cash flows from operations when, in fact, Cardone Capital suspended monthly distributions in April 2020.

The Private Securities Litigation Reform Act of 1995 permits any investor who purchased interests in Cardone Capital’s Fund V and Fund VI to seek appointment as lead plaintiff in the *Cardone Capital* class action lawsuit. A lead plaintiff will act on behalf of all other class members in directing the *Cardone Capital* class action lawsuit. The

lead plaintiff can select a law firm of its choice to litigate the *Cardone Capital* class action lawsuit. An investor's ability to share in any potential future recovery of the *Cardone Capital* class action lawsuit is not dependent upon serving as lead plaintiff. **If you wish to serve as lead plaintiff of the *Cardone Capital* class action lawsuit or have questions concerning your rights regarding the *Cardone Capital* class action lawsuit, please provide your information here or contact counsel, Michael Albert of Robbins Geller, at 800/449-4900 or 619/231-1058 or via e-mail at [malbert@rgrdlaw.com](mailto:malbert@rgrdlaw.com). Lead plaintiff motions for the *Cardone Capital* class action lawsuit must be filed with the court no later than November 16, 2020.**

Robbins Geller Rudman & Dowd LLP is one of the world's leading law firms representing investors in securities class action litigation. With 200 lawyers in 9 offices, Robbins Geller has obtained many of the largest securities class action recoveries in history. For seven consecutive years, ISS Securities Class Action Services has ranked the Firm in its annual SCAS Top 50 Report as one of the top law firms in the world in both amount recovered for shareholders and total number of class action settlements. Robbins Geller attorneys have helped shape the securities laws and have recovered tens of billions of dollars on behalf of aggrieved victims. Beyond securing financial recoveries for defrauded investors, Robbins Geller also specializes in implementing corporate governance reforms, helping to improve the financial markets for investors worldwide. Robbins Geller attorneys are consistently recognized by courts, professional organizations and the media as leading lawyers in the industry.