

# CPI Property Group S.A. (CPI PG) Part 5

**With Dubai Properties, Vitek "Repaid" CPI's Loan with  
by Saddling CPI with Off-Balance Sheet Debt**

**June 3, 2024**



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# Introduction to Part V:

Vitek's gonna Vitek.

In the closing minutes of 2023, CPI PG announced a new acquisition from Radovan Vitek. CPI PG exchanged €273 million of Vitek's personal debt for a portfolio of 20 luxury properties in Dubai held in his newly formed company, Rising Falcon Holdings. CPI PG reported that the portfolio was worth €349 million.

We almost didn't look into this transaction. This was a few weeks after our initial report on CPI PG, and we considered for a moment that with the increased scrutiny and a new CEO seemingly hoping to establish credibility, Rising Falcon was probably a clean transaction. But then we remembered that "Vitek's gonna Vitek".

The reality is that in "repaying" the loan from CPI PG, we estimate that Vitek has saddled the company with over ~€220 million in off-balance sheet debt. Our investigators identified 20 properties that they believe comprise the Rising Falcon portfolio, the vast majority of which are under construction and should require significant additional milestone payments. We estimate that Vitek's real cash investment was only approximately ~€154 million inclusive of tax, meaning that he likely pocketed a difference of approximately ~€118 million in cash. In short, Vitek extracted cash loans and appears to have repaid with much less valuable interests in partially completed apartments and villas, conveying more in unfunded obligations than cash equity—and new CEO David Greenbaum sought to gloss over this behavior.

# Rising Falcon – Soaring Bullshit

”Repaying” loans by saddling CPI PG with an estimated over €220 million of progress payments, enabling Vitek to likely cream another €118 million from bondholders.

# CPI PG Acquires Rising Falcon from Radovan Vivek

At year end 2023, CPI PG announced the transfer of Rising Falcon Holding Ltd to CPI PG in exchange for an offset of €273 million against Radovan Vitek's personal debt owed to the Group.

Rising Falcon is an Abu Dhabi holding company that owns a portfolio of 20 residential properties in Dubai, UAE.

CPI PG initially claimed that the properties were “recently valued at €349 million” and the purchase price of €273 million represented a 22% discount.<sup>1</sup>

Today, CPIPG's subsidiary Endurance Hospitality Finance S.a.r.l (“EHF”) entered into an agreement with our primary shareholder, Radovan Vitek, concerning the transfer of all the issued share capital of Rising Falcon Holding Limited (“**Rising Falcon**”), an Abu Dhabi Global Market free zone company, to EHF.

Rising Falcon owns 20 residential properties in Dubai, United Arab Emirates which were recently valued at EUR 349 million. The purchase price for the Rising Falcon portfolio was EUR 273 million, or a discount of about 22%. No cash consideration was paid for the transaction; the purchase price has been offset against shareholder loans previously provided to Mr. Vitek. As a result, the year-end shareholder loan balance for 2023 will show a meaningful reduction versus previous reporting periods. The Group intends to benefit from the strong market in Dubai and will gradually dispose of the assets.

<sup>1</sup> CPI PG December 29, 2023 press release “Addition of Residential Properties”, <https://cpipg.com/storage/app/uploads/public/658/eb7/6a4/658eb76a4b017666750751.pdf>

# CPI PG's FY23 Management Report Quietly Discloses Two More Key Facts

Three months later, CPI PG's FY 2023 management report revealed additional key facts buried deep within:<sup>1</sup>

1. 17 of the 20 the properties were not complete, but instead were “in various stages of development.”
2. The total fair value of these projects at the date of the transaction was just “€297.8 million”, some €50 million less than the €349 million stated in the press release.

CPI PG did not disclose the development locations, names, percentage of completion, nor the percentage of total contract payments made / remaining.

We tasked investigators to identify the properties. 18 of the properties they believe they identified are apartments; 15 of which are still in early stages of construction, with 40% - 70% of the contract payments seemingly outstanding. The two other properties the investigators identified are land plots with houses also under construction.

We estimate Vitek's that cash investment in the 20 properties was likely only ~€154 million. We estimate the future payment obligations for just the apartments under construction to be in excess of ~€220 million and coming due over the next few years.

<sup>1</sup> CPI PG 2023 management report, p. 118

# CPI PG's Rising Falcon Disclosure:

CPI PG's FY 2023 management report disclosure:<sup>1</sup>

## 3.2 Property asset acquisitions in 2023

### **RISING FALCON HOLDING LIMITED**

On 29 December 2023, the Group acquired 100% share in RISING FALCON HOLDING LIMITED holding luxury residential projects in Dubai, United Arab Emirates. The portfolio includes 20 apartment units or villas, of which 3 are completed, and 17 are in various stages of development. Total fair value of these residential projects was EUR 297.8 million as of the date of transaction. The Group holds the Company for capital appreciation of its projects.

Since the Group acquired all shares from its majority shareholder, the acquisition represents a common control transaction. The acquisition was recognized as a property asset acquisition as the company does not represent a business as defined by IFRS 3.

The RISING FALCON HOLDING LIMITED was acquired from the Group's majority shareholder for consideration of EUR 273.0 million. The consideration was offset against loans provided to Senales Invest, the entity owned by the Group's majority shareholder.

The Group applied acquisition method and recognised the transaction at the fair value of the acquired properties of EUR 297.9 million with the difference between the fair value of the consideration transferred and the fair value of the acquired assets as a contribution of EUR 24.9 million to retained earnings of the Group.

Net identifiable assets of subsidiary acquired at the date of acquisition amounted to EUR 297.9 million, fully allocated to investment property by the Group. The net cash outflow connected with the acquisition amounted to EUR 0 million as the consideration of EUR 273.0 million was off-set with loans provided by the Group to Senales Invest, entity fully owned by the Group's main shareholders.

<sup>1</sup> CPI PG 2023 management report, p. 118

# CPI PG Senior Management Misleads Investors

In the FY2023 earnings call Q&A, David Greenbaum and Mindee Lee downplay the size of milestone payments attached to the properties. This exchange shows that if you work for CPI PG, you have to have a little Vitek in you too.

## **Moritz Mayer, Manager of Capital Markets**

...and the next question, “Can you provide more detail on the Dubai assets that were contributed to the group? Were the assets contributed to them with debt attached to them?” Mindee, do you want to...

## **CPI PG Director of Corporate Strategy, Mindee Lee**

“The Dubai assets were contributed with no debt attached to them. Some of the assets are in various stages of development, where the progress payments would be required in the next couple of months.”

## **CPI PG CEO David Greenbaum**

“In general, these are luxury residential properties in Dubai. And I think if you read any article covering Dubai real estate, you would see this is the hottest segment of the market. We’ve already had a lot of good traction on selling the assets. And as I said earlier, our goal is to sell these properties as soon as possible and move on from it.”



# The Identities of Vitek's 20 Luxury Property Investments

15 of the identified apartments are under construction with completions scheduled between 4Q 2024 through 2027. Local listings for these developments show the normal purchasing terms including the progressive payment schedule, with 20% due upon signing the sale purchase agreement, another 30%-40% due periodically based on construction benchmarks, and the final 40%-50% due at the handover.

- 1 unit (SK07) at Sky Bridge by Caspian Properties – completed<sup>1</sup>
- 2 units (B2-501 and B3-501) at Mr. C Residences, Jumeirah by Alta Real Estate Development – handover YE 2023<sup>2</sup>
- 1 unit (2401) at Bulgari Lighthouse Dubai by MERAAS (part of Dubai Holding) – est complete 2027<sup>3</sup>
- 4 units (PH01, PH02, PH03, PH04) at One Canal by AHS Properties – est complete 4Q 2024<sup>4</sup>
- 2 units (PH02, PH03) at Casa Canal by AHS Properties - est complete 4Q 2025 to 1Q 2026<sup>5</sup>
- 8 units (5801, 5901, 6001, 6101, 6201, 6301, 6501, 6701) at Aire Dubai by Alta Real Estate Development - est complete 4Q 2026<sup>6</sup>

Additionally, our investigators identified two land plots purchased in Sheikh Mohamed bin Rashid Gardens, Dubai Hills Estate, which are also under construction. Public records show these land plots were purchased for approximately €3.7m and €5.2m.

- Hadaeq Sheikh Mohammed Bin Rashid Gardens – plot land number 4013 (title deed certificate # 77681/2024)
- Hadaeq Sheikh Mohammed Bin Rashid Gardens – plot land number 4186 (title deed certificate # 77682/2024)

<sup>1</sup> For pricing records on unit SK07 see: <https://dxbinteract.com/dubai-house-prices/valuation/3072876> (unit just sold on May 26, 2024)

<sup>2</sup> For pricing records on units B2-501 and B3-501 see: <https://dxbinteract.com/dubai-house-prices/valuation/3072944> and <https://dxbinteract.com/dubai-house-prices/valuation/3072918>

<sup>3</sup> <https://www.zawya.com/en/press-release/companies-news/meraas-breaks-ground-on-its-most-exclusive-new-address-the-bulgari-lighthouse-g1kc6s83>;

for pricing records on Unit 2401 see: <https://dxbinteract.com/dubai-house-prices/valuation/3072964>

<sup>4</sup> <https://metropolitan.realestate/dubai-canal/one-canal/>; for pricing records on units PH01, PH02, PH03, PH04 see: <https://dxbinteract.com/dubai-house-prices/valuation/3073017>

<sup>5</sup> <https://metropolitan.realestate/dubai-canal/casa-canal/>, for pricing records on units PH02, PH03, <https://dxbinteract.com/dubai-house-prices/valuation/3145899>

<sup>6</sup> <https://metropolitan.realestate/al-wasl/aire-dubai/>; for pricing records on units 5801, 5901, 6001, 6101, 6201, 6301, 6501, 6701 see <https://dxbinteract.com/dubai-house-prices/valuation/3073189>

<sup>7</sup> <https://dubailand.gov.ae/en/eservices/property-status-overview/property-status/#/>

# The Investigators' Findings are Credible

We were able to spot check our investigators' findings of the properties to confirm their accuracy. We saw three points of confirmation:

1. Status checks on the developments identified by our contact amounted to just 3 complete with 17 in various stages of completion, matching the mix disclosed by CPI PG in its 2023 management report.
2. The total contract value of the properties identified by our source amounts to ~€360 million, roughly matching to the €349 million CPIPG disclosed as the 3<sup>rd</sup> party valuation in its press release.
3. Local media reported on two large transactions in 2023 for two properties which match with the information our source provided. In these articles, the buyer's name was not stated, but the timing, buyer description as a "family office of a European billionaire", and amount are a close fit.<sup>1,2</sup> We spoke with a local realtor with knowledge of the AHS properties who confirmed Radovan Vitek was the buyer.

We note that Vitek's transactions made headlines for setting new "top of the market" pricing, not for being picked up at a discount.

Below: AHS press release reports on a One Canal sale dated Oct 25, 2023<sup>2</sup>

**Dubai, United Arab Emirates:** In a move representing the pinnacle of luxury real estate, AHS Properties has marked an industry milestone with the sale of an iconic penthouse in One Canal for an unprecedented \$50 million. The ultra-luxury residential building along the Dubai Canal was sold to the family office of a European billionaire, making it one of Dubai's most expensive penthouse purchase.

Below: A Gulf News report on the Mr. C transaction from Jan 11, 2023<sup>2</sup>

**Will 2023 set more records in Dubai's luxury home space? Homes in and around Dubai Water Canal will be part of the action.**

Image Credit: Supplied

Dubai: Is the Dubai Water Canal the next go-to place for billionaire investors wanting pricey homes? Sure looks like it after a private family office representing a 'European billionaire' bought two duplex penthouses.

These units are part of the Mr. C Residences Jumeirah, where a single transaction came to over Dh120 million (about \$32.7 million) – seen as indicative of demand for luxury property investments in Dubai sustaining itself into 2023.

<sup>1</sup> <https://ahs-properties.com/ahs-properties-sells-50-million-one-canal-penthouse-in-dubai-water-canal/>. The price total closely matches that of €48.5m for the 4 units identified by our source including tax: <https://dxbinteract.com/dubai-house-prices/valuation/3362695>

<sup>2</sup> <https://gulfnews.com/business/property/is-dubai-water-canal-to-be-citys-next-billionaires-row-1.93138612>. The price reported approximately matches the total for 2 units identified by our source, no higher priced sales are reported in the Dubai Land Dept. registry: <https://dxbinteract.com/dubai-house-prices/valuation/3072944> and <https://dxbinteract.com/dubai-house-prices/valuation/3072918>

# Vitek's Cash Investment in the 20 Properties Was Likely Only ~€154m, Leaving Approximately ~€118 million in Cream

We estimate that Vitek's cash investment in the 18 apartments' progress payments, the 2 land parcels cost with their estimated construction costs at the time at year end, and the 4% property transaction tax, likely amounts to only approximately ~€154 million.

The table uses price data from the Dubai Land Bureau<sup>1</sup> and shows the property developments' names and unit numbers, the most recent recorded sale price for the units, the developments' current estimated completion dates, to estimate the likely amount of future payment obligations. We use this data to estimate the likely total cash invested of €144.2m in the 18 apartments at the time of the transaction.

Knowledgeable sources provided the price data on the 2 land plots, totaling €9.9 million. We then conservatively estimate the construction costs based on their early stage "grey construction" of €500 thousand at both sites. This raises our estimate of Vitek's likely total cash expenditure to €154m.

**It appears that CPI PG's debt for equity swap enabled Vitek to pocket approximately ~€118 million in cash. Meanwhile CPI PG apparently assumed over €220 million of Vitek's liabilities.<sup>2</sup>**

<sup>1</sup> dxbinteract.com

<sup>2</sup> €273m (debt offset) – €10.3m (2 land parcels at €3.7m and €5.2m + 4% tax + est. ~€250-500k ea. for construction costs at time of transfer) - €144.2m = €118.5m. The additional construction costs push the assumed liabilities up to over €220m.

<sup>3</sup> Item 1, Apt SK07 at "Bridge Sky" sold on May 26, 2024 for a reported price for AED 25.5m (€6.4m). This is the only one of the 18 apartments to have been disposed. The table shows the price of Vitek's purchases reported by our source. 0.3

Estimated Cash Invested in Rising Falcon's Portfolio of 18 Apartments: €144m

	Unit Number	Building Name	Property Size (sqm)	# of beds	Developer	Projected completion	Status	Remaining payments due from CPI	Previous seller and date	Sale Date	Sale Price (AED mm)	Sale Price (Euro mm)	Sale Price/Sqm ('000 Eur)	Payments to be made (Euro mm)	Est. cash invested			
1	SK07	Bridge Sky	448.5	3	Caspian Properties	Complete	Complete		Sept 2020	Individual, Feb-2022	18.5	€ 4.5	€ 10.03		€ 4.5			
2	B3-501	Mr. C Residences Jumeirah – Block B3	993.0	5	Alta Real Estate Development	Dec-23	Completed		1st sale	Developer, Dec-2022	53.6	€ 13.8	€ 13.88		€ 13.8			
3	B2-501	Mr. C Residences Jumeirah – Block B2	448.5	5					1st sale	Developer, Dec-2022	50.0	€ 12.9	€ 28.65		€ 12.9			
4	2401	Bulgari Lighthouse Dubai	1,083.0	5	MERAAS (Dubai Holding)	2027	Est 60% due on progress schedule*	60%	1st sale	Developer, Feb-2023	160.3	€ 40.8	€ 37.64	€ 24.5	€ 16.3			
5	PH 01	One Canal	1,845.1	6	AHS Properties	4Q 2024	40% due at handover	60%	1st sale	Developer, Jan-2023	72.5	€ 18.3	€ 9.93	€ 11.0	€ 7.3			
6	PH 04	One Canal	391.0	3					1st sale	Developer, Jan-2023	19.5	€ 4.9	€ 12.60	€ 3.0	€ 2.0			
7	PH 02	One Canal	850.1	4					1st sale	Developer, Jan-2023	33.2	€ 8.4	€ 9.86	€ 5.0	€ 3.4			
8	PH 03	One Canal	1,083.0	5					1st sale	Developer, Jan-2023	59.3	€ 15.0	€ 13.83	€ 9.0	€ 6.0			
9	PH 03	Casa Canal	2,746.1	6					4Q 2025 to 1Q 2026	Est. only 20% paid by Vitak per progress schedul	80%	1st sale	Developer, Dec-2023	135	€ 34.0	€ 12.37	€ 27.2	€ 6.8
10	PH 02	Casa Canal	2,647.1	6								1st sale	Developer, Dec-2023	135	€ 34.0	€ 12.84	€ 27.2	€ 6.8
11	6201	Aire Dubai	1,092.8	4	Alta Real Estate Development	4Q 2026	10% due in June and Sept 2024	70%	1st sale	Developer, Feb-2023	62.0	€ 15.8	€ 14.43	€ 9.5	€ 6.3			
12	6001	Aire Dubai	1,092.8	4					1st sale	Developer, Jan-2023	62.0	€ 15.7	€ 14.33	€ 11.0	€ 4.7			
13	6701	Aire Dubai	1,816.2	5					1st sale	Developer, Feb-2023	117.3	€ 29.8	€ 16.42	€ 20.9	€ 8.9			
14	6301	Aire Dubai	1,838.0	4					1st sale	Developer, Feb-2023	118.7	€ 30.2	€ 16.42	€ 21.1	€ 9.1			
15	6501	Aire Dubai	1,504.1	4			50% due at handover		10% due in June and Sept 2025	1st sale	Developer, Feb-2023	97.2	€ 24.7	€ 16.43	€ 17.3	€ 7.4		
16	5901	Aire Dubai	1,095.8	4						1st sale	Developer, Feb-2023	62.0	€ 15.8	€ 14.39	€ 11.0	€ 4.7		
17	5801	Aire Dubai	1,092.8	4						1st sale	Developer, Feb-2023	62.0	€ 15.8	€ 14.43	€ 11.0	€ 4.7		
18	6101	Aire Dubai	1,092.8	4						1st sale	Developer, Jan-2023	62.0	€ 15.7	€ 14.33	€ 11.0	€ 4.7		
											<b>Sub-total</b>	<b>€ 349.8</b>	<b>€ 219.6</b>	<b>€ 130.3</b>				
											<b>4% tax</b>	<b>€ 14.0</b>		<b>€ 14.0</b>				
											<b>Est. Total Paid</b>			<b>€ 144.2</b>				

\* Assumes 40% paid--based on the Dec 2023 construction start, possibly only 20%+4% tax (or less) paid

# The 2 Land Plots in the Hadaeq Sheikh Mohammed Bin Rashid Gardens, Dubai Hills Estate

Using the property identification information provided by our investigators, we checked the Dubai land registry for their locations.<sup>1</sup> Both are along the golf course in the Hadaeq Sheikh Mohammed bin Rashid Gardens, Dubai Hills Estate project.

Property details for Land No. 4013


## Property Details


Property	Land - Residential Flats - Hadaeq Sheikh Mohammed Bin Rashid - 4013	Ownership Status	FREE-Restricted_Totally
Area	1153.34 (Sq.Mt)	Last Certificate	77681/2024
Land Number	4013-0	Municipality Number	631-1366
Registration type	Completed	Number Of Owners	1
Restrained	No	Mortgaged	No
Pre registration Number	DH-4.0006	Freehold	Yes
Sub Type	Residential Flats	Land Type	Commercial
Land Status	Under Construction	Service Charges Information	NA
Is the property blocked?	No	DEWA Outstanding Amount	NA
Dubai Municipality Violation	No	Active Rental Disputes Cases	No


## Property on Map





## Additional Details

  
 Project & Developer Information

  
 Zone Information

  
 Lease Management Company

  
 Mollak Management Company

  
 Export

Property details for Land No. 4186


## Property Details


Property	Land - Residential Flats - Hadaeq Sheikh Mohammed Bin Rashid - 4186	Ownership Status	FREE-Restricted_Totally
Area	1582.48 (Sq.Mt)	Last Certificate	77682/2024
Land Number	4186-0	Municipality Number	631-7835
Registration type	Completed	Number Of Owners	1
Restrained	No	Mortgaged	No
Pre registration Number	DH-4.0180	Freehold	Yes
Sub Type	Residential Flats	Land Type	Commercial
Land Status	Under Construction	Service Charges Information	NA
Is the property blocked?	No	DEWA Outstanding Amount	NA
Dubai Municipality Violation	No	Active Rental Disputes Cases	No


## Property on Map





## Additional Details

  
 Project & Developer Information

  
 Zone Information

  
 Lease Management Company

  
 Mollak Management Company

  
 Export

<sup>1</sup> <https://dubailand.gov.ae/en/eservices/property-status-overview/property-status/#/>

# The Two Land Plots Were in an Early Phase of Construction (cont.)

We then checked Google Earth for the state of development. As of Nov 7, 2023, approximately 6 weeks before the stated sale date, both sites were still in “grey construction,” an early phase where the concrete forms are being built.

Below: Nov 7, 2023 Google Earth image of Land plot no. 4013



Below: Nov 7, 2023 Google Earth image of land plot no. 4186



# Offplan Developments Are Financed Through Progressive Payments:

Vitek's purchases of units in offplan developments (developments in construction) require only a minimum amount of cash payment upon booking and the signing of the Sale and Purchase Agreement.

These first two steps generally require just 5% and 15% plus 4% tax (the Dubai Land Department fee).

Progressive payments are made periodically as construction benchmarks are met, up until 50-60% of the total contract price has been paid. Normally the final 40% to 50% is held back until completion and handover of the unit.

In the case of Vitek's December 2023 purchase of Casa Canal, as little as 20% of the total price plus the 4% tax should have been paid, leaving the balance of 80% of the total contract price obligations to be paid by CPI PG until a buyer can be found.

Below: Casa Canal's Payment Plan<sup>1</sup>

Payment Plan		
Installment No.	Payment Milestone	Payment(%)
1	On booking	5%
2	On signing SPA	15% + 4% DLD
3	Quarterly payment 3 months from SPA signing	5%
4	Quarterly payment 6 months from SPA signing	5%
5	Quarterly payment 9 months from SPA signing	5%
6	Quarterly payment 12 months from SPA signing	5%
7	Quarterly payment 15 months from SPA signing	5%
8	Quarterly payment 18 months from SPA signing	5%
9	Quarterly payment 21 months from SPA signing	5%
10	Quarterly payment 24 months from SPA signing	5%
11	On completion date	40%
12	TOTAL	100%



<sup>1</sup> Source: Casa Canal sales brochure

# The Progressive Payment Schedules Are Posted on Realtor Webpages:

One Canal (4 units): ~€28 million of future progress payments<sup>1</sup>

## Payment Plan

<b>5%</b> On booking	<b>15%</b> On signing SPA	<b>40%</b> On Construction	<b>40%</b> Handover in 2024 Q4
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Casa Canal (2 Units): ~€54 million of future progress payments<sup>2</sup>

## Payment Plan

<b>5%</b> On Booking	<b>15%</b> On Signing SPA	<b>40%</b> During Construction	<b>40%</b> Handover in Q4 2025
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Aire Dubai (8 units): ~€113 million of future progress payments<sup>3</sup>

## Payment Plan

<b>5%</b> Reservation	<b>15%</b> SPA	<b>5%</b> June 2023	<b>5%</b> December 2023
<b>5%</b> June 2024	<b>5%</b> September 2024	<b>5%</b> June 2025	<b>5%</b> September 2025
<b>50%</b> Handover in Q4 2026			

1 <https://metropolitan.realestate/dubai-canal/one-canal/>

2 <https://metropolitan.realestate/dubai-canal/casa-canal/>, [https://casacanal.ae/?gad\\_source=1&gclid=CjwKCAjw9IayBhBJEiwAVuc3ftAbV7V7O1EDyRUHbKyqtCxjlfVHlXDmej4v1jSfZETAn9L8g3IRdBoCB0EQAvD\\_BwE](https://casacanal.ae/?gad_source=1&gclid=CjwKCAjw9IayBhBJEiwAVuc3ftAbV7V7O1EDyRUHbKyqtCxjlfVHlXDmej4v1jSfZETAn9L8g3IRdBoCB0EQAvD_BwE)

3 <https://metropolitan.realestate/al-wasl/aire-dubai/>

# Local Real Estate Specialist Confirmed Even in Dubai All Cash Purchases Are Special Cases

We spoke with a Dubai luxury property realtor specialist who advised that for off-plan developments like these progressive payment terms are the standard, typically only 20-40% are due in the early stages, another 20% in the mid to late stages, and the final 40% payable upon the handover.

All cash payments are rare, special cases. We were told that only buyers who are highly incented to quickly move a large sum of money out of their bank accounts and into an asset pay 100% upfront in a lump sum. Even then, there is little or no discount. We do not believe Vitek paid all cash—if he did, it would provoke serious questions as to why.

Such transactions are for moving and storing large piles of cash with dubious origins.





# The Rising Falcon Portfolio – Ultra-luxury Targeting Russian Money?

As with Vitek’s purchase of the French villa, Les Mas du Figuier, the properties are extremely luxurious.

The developers marketing these properties are targeting a certain type of ultra-wealthy clientele, including Russians and elite from other former Soviet states. This is evident from the decision to make their developments’ webpages available in Russian.

The developments at Aire Dubai, Bulgari Lighthouse, One Canal, and Casa Canal all have Russian language versions of their sales and marketing pages.<sup>1</sup>

Again, we are left to wonder whether Vitek’s investment objectives in Dubai did not involve the servicing of very special customers including those with hot flows of questionable money.

Below: Casa Canal’s Russian Language Marketing Site - 4 units in this development  
(Contracted sale purchase price: estimated ~€62.0 million)



<sup>1</sup> <https://airedubai.com/#/#РЕЗИДЕНЦИИ>, <https://www.bulgarylighthouse.com/ru/home>, <https://one-canal.ae/ru>, <https://casa-canal.ae/ru>

# Rising Falcon – Soaring Bullshit

Vitek borrowed hundreds of millions of Euro from the Group, invested some into Dubai real estate, and “repaid” his debt with assets that have an estimated €220+ million of progress payments coming due.

Through this deal, which is probably as clean as a Vitek deal gets, we believe Vitek pocketed approximately ~€118 million.