

# Yanukovich's Assets

## Victor Yanukovich

Thursday, December 5th, 2013

Mr. Viktor Yanukovich was born in 1950 in Yenakievo, Donetsk oblast. As a minor he was convicted in 1967 for robbery, and later in 1969 for assault. These convictions and court papers miraculously disappeared and his political career successfully took off. Yanukovich served as the Governor of [Donetsk Oblast](#) from 1997 to 2002. Subsequently he was [Prime Minister of Ukraine](#) from November 21, 2002, to 31 December 2004, under President [Leonid Kuchma](#), and he was an unsuccessful candidate in the [2004 presidential election](#), ultimately losing to [Viktor Yushchenko](#). Yanukovich continued to lead his party, the [Party of Regions](#), after the 2004 election, and he served as Prime Minister for a second time from August 4, 2006, to December 18, 2007 under President Yushchenko. On March 3, 2010, Yanukovich transferred leadership of the party to [Mykola Azarov](#). Yanukovich won most votes in the first round of the [January 2010 presidential election](#), and faced [Yulia Tymoshenko](#) in the second round of the election. Yanukovich won the second round of the election by 3% over Yulia Tymoshenko's party.



1. As Prime Minister of Ukraine, Mr. Yanukovich officially lived in a penthouse apartment (384 sq m) in a modern building in Kyiv, located at 10 Sichnevogo Povstannya Street, apartment 8. Then he sold that apartment to Mr. Sergey Kluyev (MP from the ruling party, head of the Parliamentary Committee on Banking Regulations and member of the Supervisory Board of the National Bank of Ukraine). The apartment was sold for the unusually high price of **\$7 mln USD** (the former ex Prime Minister of Ukraine, Mr. Lazarenko, who was convicted in the US for money laundering, bought his sprawling 20-room home with a swimming pool, tennis court and a significant land in the city of Novato, California, US for **\$6.75 mln USD** in 1998). The price for Yanukovich's penthouse was ridiculously high. Though information on this phenomenal real estate deal was publicly available, the Prosecutor General Office did not find it suspicious.
2. Since 2003 Mr Yanukovich has resided in the former state residence — a 343.4 acre estate — Mezhygirrya. This estate was privatized in a chain of murky transactions, which were unsuccessfully disputed in court. The President of Ukraine claims that he owns a 620 sq m house and 4.2 acres of land at Mezhygirrya, and that the rest of the land belongs to the **Charity Foundation "Vidrodzhennya Ukrainy"** and the **Tantalit LLC** company, which bought it in 2007. **Tantalit LLC** was founded by a UK-based firm **Blythe Europe, Ltd** and run by Mr. Reinhard Proksch. Interestingly, Mr. Sergey Kluev sold his prosperous business **Activ Solar** in [July 2009](#) also to Mr. Reinhard Proksch, at whose home address **P&A Corporate Trust** — the current official owner of **Activ Solar**

- is registered. Incidentally, **Activ Solar** is a successful monopoly in producing solar energy in Ukraine with more than 20 solar energy plants. Since Sergey's brother Andriy Kluyev — a co-owner of **Activ Solar** — held the office of the Vice Prime Minister of Ukraine, **Active Solar** has enjoyed generous state bank interests-free credits, tax exemptions, unprecedented low prices on land leases (3% of the value per year), epy duty free import of equipment, and the highest green tariff in Europe, enabling **Active Solar** to become a monopoly in the solar energy sector in Ukraine. Moreover, even the European Union's direct budgetary support funds were spent on connecting **Activ Solar** plants with electricity system in 2011 instead of the energy-saving work demanded by the EU. The EU did not approve of such support for **Activ Solar** using its funds and [as a result halted its direct budget support](#) to Ukraine. In 2008 **Tantalit** signed a 49-year at the lowest price possible, i.e. \$10 USD per 0,25 acre per year, and started to develop Mezhygirrya, turning it into a world-class luxury estate. In just three years, the two former old state dachas and shabby service quarters located in Mezhygirrya's pristine forest were turned into [an estate which encompasses](#) one huge super-luxurious 5-story palace, two 3-story guest houses, a golf course, a yacht club, a helicopter pad and hangars, a racetrack with horse stables, tennis courts, etc. The interior of the Mezhygirrya Palace is [exceptionally posh](#); for example, it holds a several crystal lamps running \$97,000 each, gilded toilet bowls and mahogany wall panels. Neither **Tantalit's** revenue documents nor **Blythe Europe's** tax reports ever provided a clue to the origin of money invested in the development of Mezhygirrya. In 2010 the Austrian firm **Euro East Beteiligungs GmbH** decided to buy the property of **Charity Foundation "Vidrodzhennya Ukrajinny"** (honka, sauna and SPA centre) for 1,2 bln UAH (approximately \$150 mln USD). This price does not include the golf club, zoo, horse club, yacht club, landing platform, guest houses, dormitory, electric stations, or administrative building, etc.

3. In September 2013, Mr. Reinhard Proksch suddenly decided to sell Mezhygirrya to Mr. Sergey Kluyev, who became an honorable host of the head of his political party Mr. Yanukovych. Interestingly, Mezhygirrya is surrounded by a 5-6 meter fence and has no public access. It is guarded by the special police force BERKUT, and nobody except Mr. Viktor Yanukovych and his family is allowed to enter. Thus far, the only person with control over access to Mezhygirrya is Mr. Viktor Yanukovych. He is the beneficial owner of a luxurious estate located in pristine forest on the bank of the Dnipro River.
4. Mr. Viktor Yanukovych is a big fan of hunting and in order to satisfy his passion to hunt, he gained exclusive access to more than [74 131.6 acres of Suholuchchya forest](#) located in the Dnipro-Teteriv forestry. During Viktor Yuschenko's presidency, with the support of then Head of Kyiv Oblast Administration Mrs. Vira Yluanchenko, Sucholuchchya forest, which had two state residences - "Ostriv" and "Akaciya" [was privatized](#). At first it was transferred from the Cabinet of Ministers to the State Forestry Committee, however the 42 acres were then bought by **Dim Lisnyka LLC**, allegedly to develop green tourism in Ukraine. As soon as **Dim Lisnyka LLC** received all the papers, it put a fence around entire Suholuchchya forest property and the special BERKUT police troops (which were used to beat up peaceful demonstrators on Bloody Saturday, November 30, 2013 in Kyiv) began protecting it. Only people with special permits can get access to the Sucholuchchya forest. The founders of **Dim Lisnyka LLC** are **Ivan Tokhtamysh** and **Astute Partners Ltd**, with Mr. Reinhard Proksch serving as Director. Ivan Tokhtamysh is also of the Director of **the Society of Hunters and Fishermen "Kedr"**, which is located at the Mezhygirrya estate. This Society was

- founded by the ex-minister of energy Mr. Yuriy Boyko. Astute Partners Ltd is affiliated with **Euro East Beteiligungs GmbH**, which built the yachting and horse facilities at Mezhygirya. Suholuchchya was leased for 49 years based on the decision of the Vyshgorod Local Council for slightly more than \$3,000 USD per year. In 2011 **Dim Lisnika LLC** and the Suholuchchya hunting forest were bought by **MAKO Holding**, which belongs to Oleksander Yanukovych. As a result, President Viktor Yanukovych has an exclusive access to the 74 131.6 acre of pristine forest, which he uses for hunting.
5. To satisfy Mr. Viktor Yanukovych's passion to be above everybody else, the company **Centravia LLC** leased an Augusta 139 helicopter and a Falcona 900 plane to the state aviacompany "**Ukraine**" for 7.5 mln UAH (\$937,500 USD) and 8 mln UAH (\$1 mln USD) respectively, paying with the tax-payers money. As of 2011 **Centravia LLC** had two founders, Mt. Pavlo Kovaliov from Donetsk and **Aero Holdings Ltd B.V.I.** When **Centravia LLC** was founded in 2007, its founders were Ukrkyivresurs and Volodymyr Lytovchenko, who also had a minor share in **Tantalit LLC**.
  6. Mr. Yanukovych also writes books and judging from his Income Declaration he is probably the most successful writer in Ukraine and in Europe. In 2011 and 2012 the Donetsk **printing house Novyi Mir** paid him approximately \$4,56 mln USD. Though Mr. Yanukovych's five books were published in different publishing houses such as **Folio, Valrus-design, Printing House of Dmitriy Burago** and **Mandelbaum Verlag** (where Mr. Yanukovych actually paid for his publications), all honoraria were paid by the Donetsk base printing house, which **does not in fact publish books**. What is more, Mr. Yanukovych's book "Opportunity Ukraine" was plagiarized and was never put on the market. This success story of book-writing evokes more the money laundering schemes of Meyer Lanski than successful business management practices.
  7. The southern coast of the Crimea hosts four government villas — «Muholatka» № 9 and «Dawn» № 1, № 3, and № 6, which have been renovated at public expense over the last three years. The interiors were upgraded and furnished with gold Italian furniture, English porcelain and other luxuries, such as a heated marble massage table which cost **600,000 UAH**. Near two of the government villas, helipads were installed. There are two other private estates also in Crimea, which, after ownership over them was transferred to Yanukovych, were renovated by **LLC Nord 2007**. As a result of this investment, their value increased, which then gave Yanukovych the **right to buy them for himself**. However, the estates were not enough and Viktor Yanukovych decided to privatize Cape Aya, — formerly the resort of **Ukravtodor (State Road Service)** which approximately equals in area the Kingdom of Monaco and includes beautiful wild beaches and vast forests, and lies at the foot of the mountain Aya. All-together, the area of the estates is 8.6 acres. In the summer of 2007 the 8.6 acre property (including the park) was privatized for 6.36 million UAH. Officially, the Simferopol based company **Arktyr-Krym LLC** assumed ownership. The main founder of the company, according to the tax authorities at the time, was **Ukrkyivresurs LLC** which contributed almost 7 million UAH (less than \$900,000 USD) to the joint capital, which was used to purchase the property. **Ukrkyivresurs** also founded of **Kyiv Universal Service LLC**, which serves Mezhyhirya, providing gardeners, janitors, cooks and groomsman. **Ukrkyivresurs LLC** was also the founder of **SPS-group LLC**, an entity which purchases decorations and furniture for the club house on Mezhyhirya property, including palatial chandeliers and carved mahogany wall panels. **Ukrkyivresurs** has the same address as **Dim Lisnyka LLC**, which privatized Suholuchchya, and was later bought out by Oleksandr Yanukovych. Subsequently, **Ukrkyivresurs LLC** sold the Cape Aya estate to **Nord**

**2007 LLC**, which also privatized the state landmark, a historic villa Tea House in Massandra, and privatized the two other historical villas Cameo and Miro Mare in Simeis. Also, in 2008, Yanukovych expanded his ownership on Cape Aya. In accordance with [Sevastopol City Council ruling #4355 on 20.05.08](#), in connection with a voluntary refusal, the right was suspended to regular use of the state rehabilitation Center for the Liquidators of the Chernobyl Plant, a parcel totaling 10,2 acres located in the Batiliman tract in the Sevastopol area SCC 33. It was then leased to **Nord-2007 LLC** for 25 years. Today, **Nord 2007 LLC** belongs to an unknown Cypriot company **Leolita Trading Ltd**. But all of the construction work is being done under the supervision of Mr. Olexander Yanukovych and no one except the family of the President has access to the Cape Aya estate according to reports. On the site of the Cape Aya estate they are now building [an incredibly luxurious](#) palace which is even more audacious than Mezhyhir'ya.



All the above would not be possible if Ukraine were a member of the EU. Mr. Yanukovych would certainly feel more comfortable in the company of Mr. Putin (13 years in power), Mr. Lukashenko (19 years in power) or Mr. Nazarbayev, (19 years) all of whom also often confuse the wealth of their nations with their own.

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