

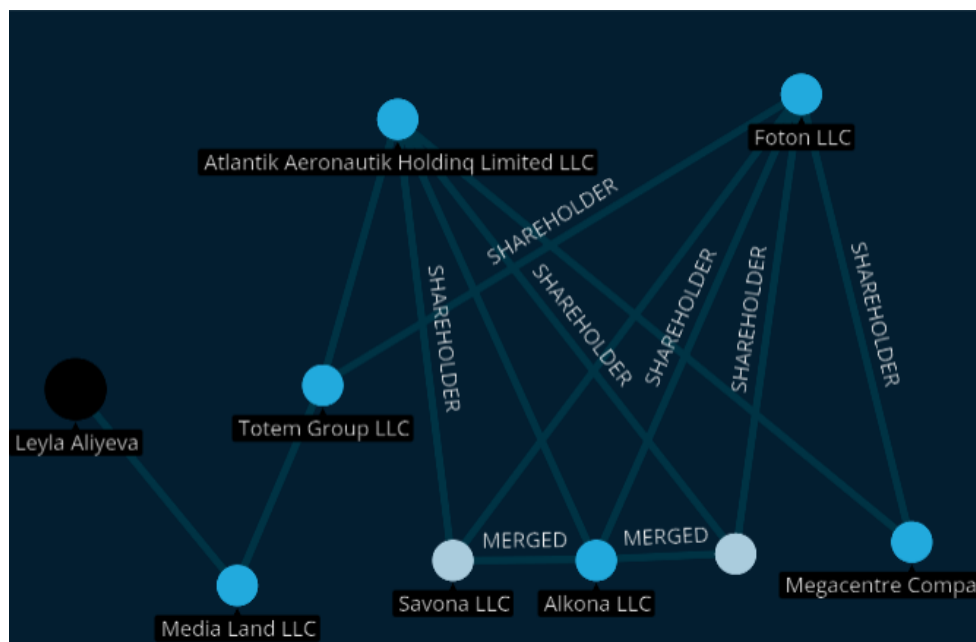
## Network Insight: Russian Real Estate

### The sisters' links to a web of Russian real estate and related companies

Leyla Aliyeva is behind a string of commercial properties and stalled property developments in Moscow, where she owns a home and media businesses and where her father, President Ilham Aliyev, participates in regular meetings with the Kremlin.<sup>[480] [1029] [188] [761] [1381] [1382] [1388] [1389] [1390]</sup>

Her commercial property investments are owned via a network of companies in Russia, some of which are themselves owned by Atlantik Aeronautik Holding Limited, an Azerbaijani company. Atlantik Aeronautik Holding has been the majority shareholder of five companies in Russia,<sup>[784] [785]</sup> all of which had Foton LLC, another Azerbaijani company, as a minority shareholder.<sup>[484] [485] [346] [358] [483]</sup> It is impossible to determine who is really behind these companies because Azerbaijan does not publish shareholder information.<sup>[528]</sup> However, a trail of evidence points toward Leyla being the ultimate beneficial owner of Atlantik Aeronautik Holding.

The use of corporate vehicles to obscure beneficial ownership by politically exposed persons (PEPs) is a red flag for potentially suspicious activity, according to the Financial Action Task Force (FATF), and the risks are heightened when the PEP is from an autocratic and corruption-prone regime, such as Azerbaijan.<sup>[1294] \*</sup>

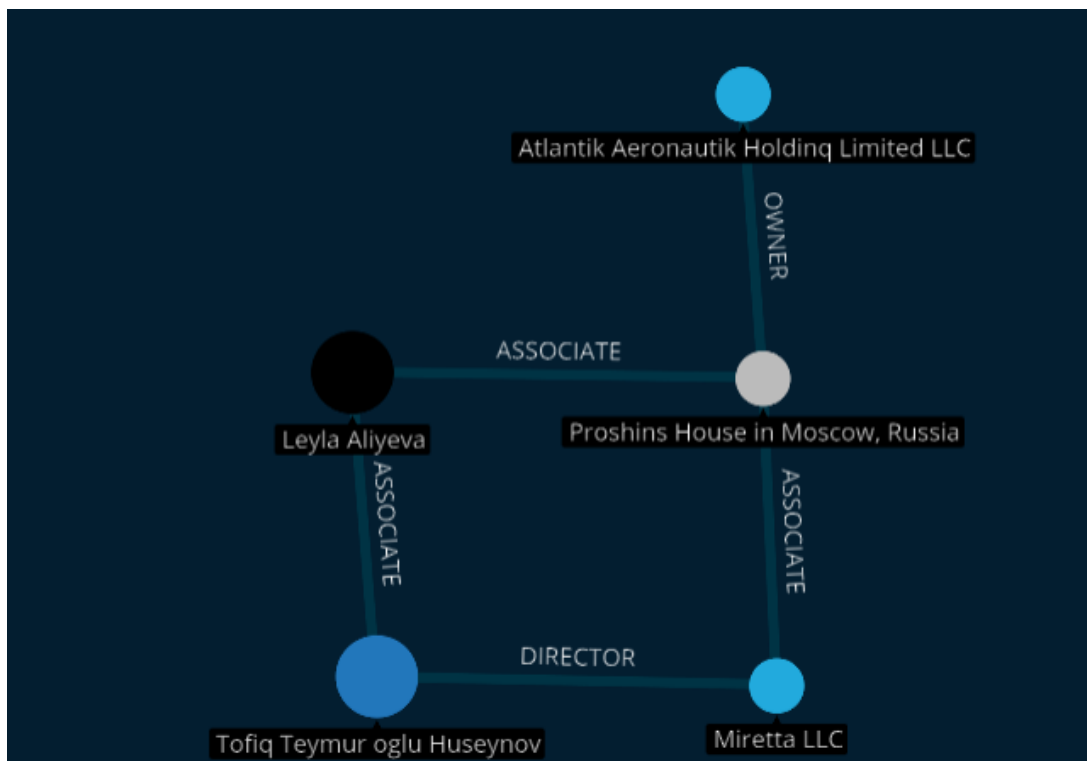


\* The Financial Action Task Force (FATF) is an international body that develops and promotes policies to protect the global financial system and sets standards for money laundering controls.

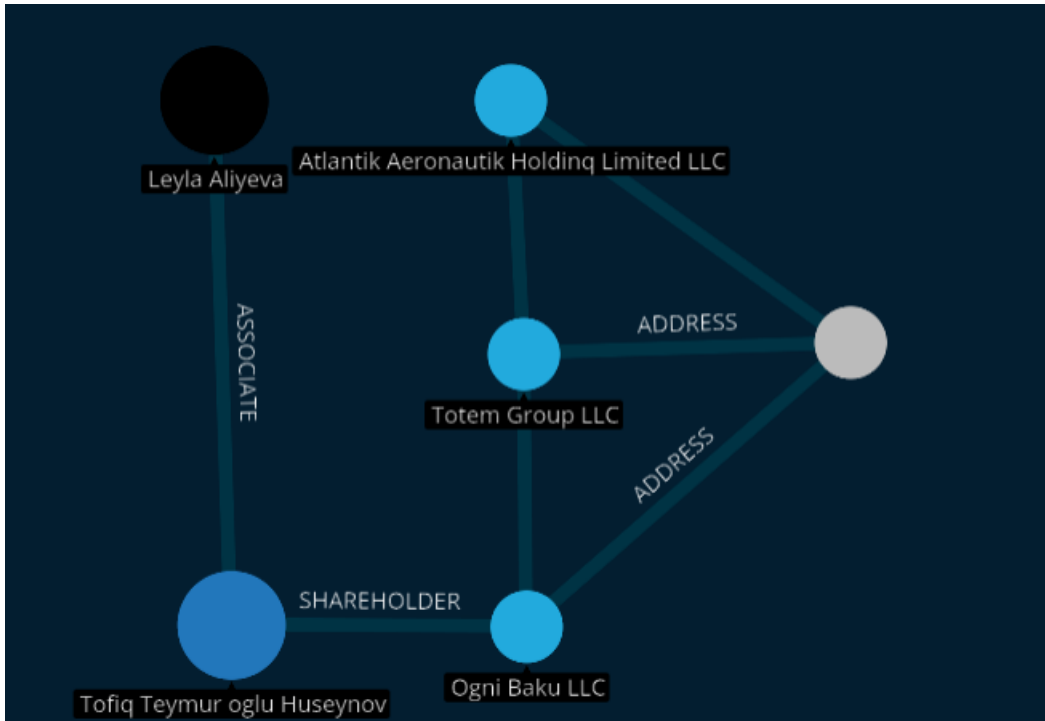
The jewel in Atlantik Aeronautik Holding’s crown is Proshins House, a commercial property in central Moscow.<sup>[601]</sup> <sup>[763]</sup> Between 2014 and 2015, the company was embroiled in a planning dispute after it demolished the building’s facade.<sup>[764]</sup> Initially, no one knew who was behind the project, but Russian court filings revealed that it was Leyla Aliyeva.<sup>[480]</sup> A court in Moscow eventually ordered Atlantik Aeronautik Holding to restore the building to its original state,<sup>[764]</sup> naming both it and Leyla Aliyeva as defendants.<sup>[480]</sup>

Meanwhile, the developer of the project, a Russian company called Miretta Company LLC,<sup>[763]</sup> was controlled by Tofiq Teymur oglu Huseynov,<sup>[491]</sup> an Azerbaijani businessman who is a director of several other Russian companies associated with Leyla Aliyeva.<sup>[491]</sup> <sup>[347]</sup> <sup>[191]</sup>

The involvement of PEPs in the construction and development industries is another red flag for potentially suspicious activity, according to the FATF.<sup>[1294]</sup>

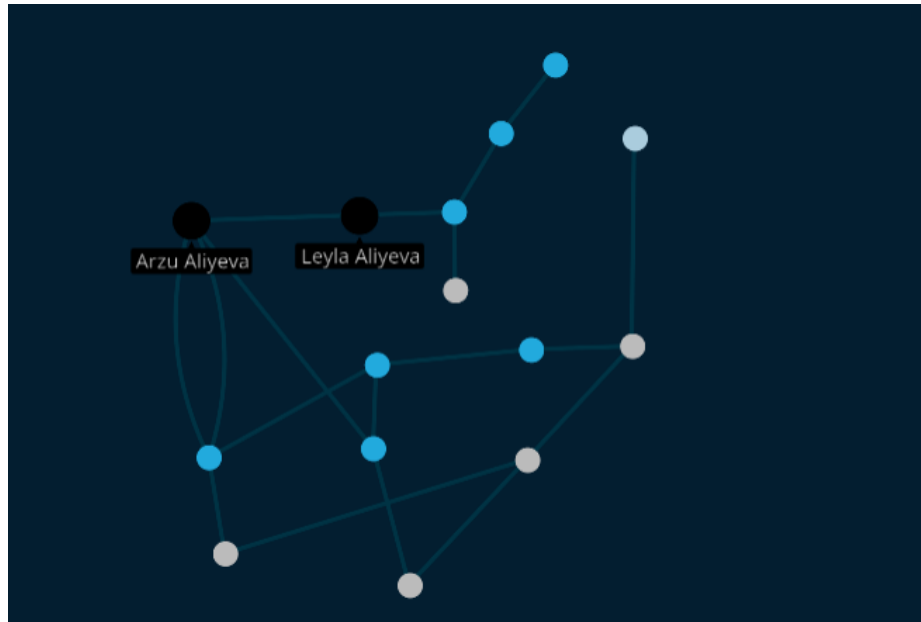


In 2020, Atlantik Aeronautik Holding signed a 49-year lease for 42 Arbat Street, Building 1,<sup>[346]</sup> <sup>[817]</sup> a down-at-heel building just west of the Kremlin.<sup>[772]</sup> In 2019, the building was being renovated by Totem Group LLC,<sup>[482]</sup> a Russian company majority-owned by Atlantik Aeronautik Holding.<sup>[346]</sup> The building serves as Totem Group’s registered office, as well as that of Ogni Baku LLC,<sup>[347]</sup> an Azerbaijani restaurant chain whose owners include Totem Group and other individuals associated with Leyla Aliyeva.<sup>[347]</sup> <sup>[601]</sup>



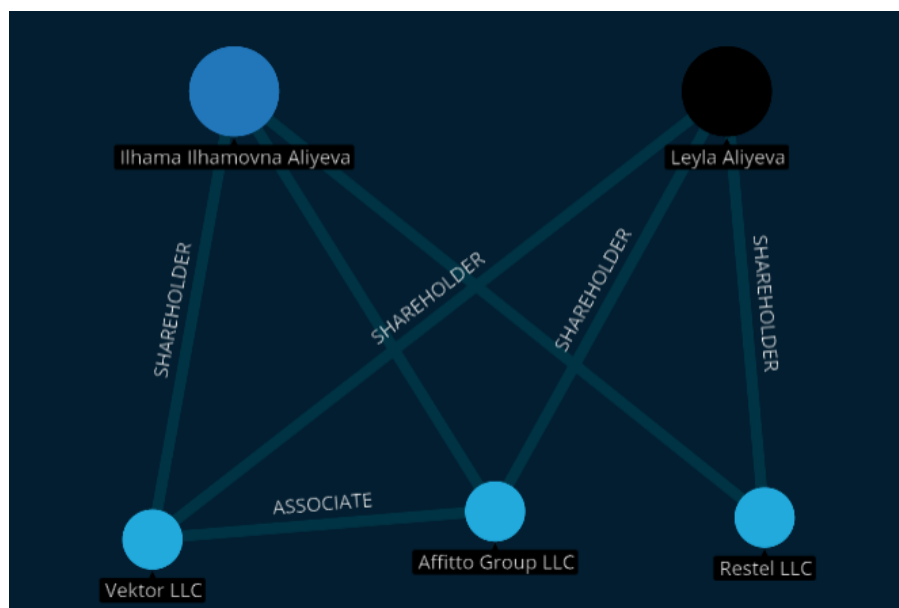
Additional evidence links Leyla Aliyeva to Atlantik Aeronautik Holding Limited. Baku, her Russian lifestyle magazine, is published by Media Land LLC,<sup>[188]</sup> which is owned by Atlantik Aeronautic Holding.<sup>[760] [761]</sup>

Meanwhile, a similarly named company in the British Virgin Islands (BVI), Atlantic Aeronautic Holding Limited, was used to acquire high-value property in London linked to the Aliyevs. In 2007, it became a shareholder of the residents' management company of the Knightsbridge,<sup>[193] [194] [731]</sup> a luxury apartment block in West London where members of the Aliyev family and their business associates own apartments.<sup>[521]</sup> In September 2007, the company acquired an apartment in the building for 9.9 million GBP (\$19.7 million).<sup>[660] [661]</sup> In 2017, the property was sold to Gesoro Limited, another BVI company linked to the Aliyev family and their business associates.<sup>[658]</sup>

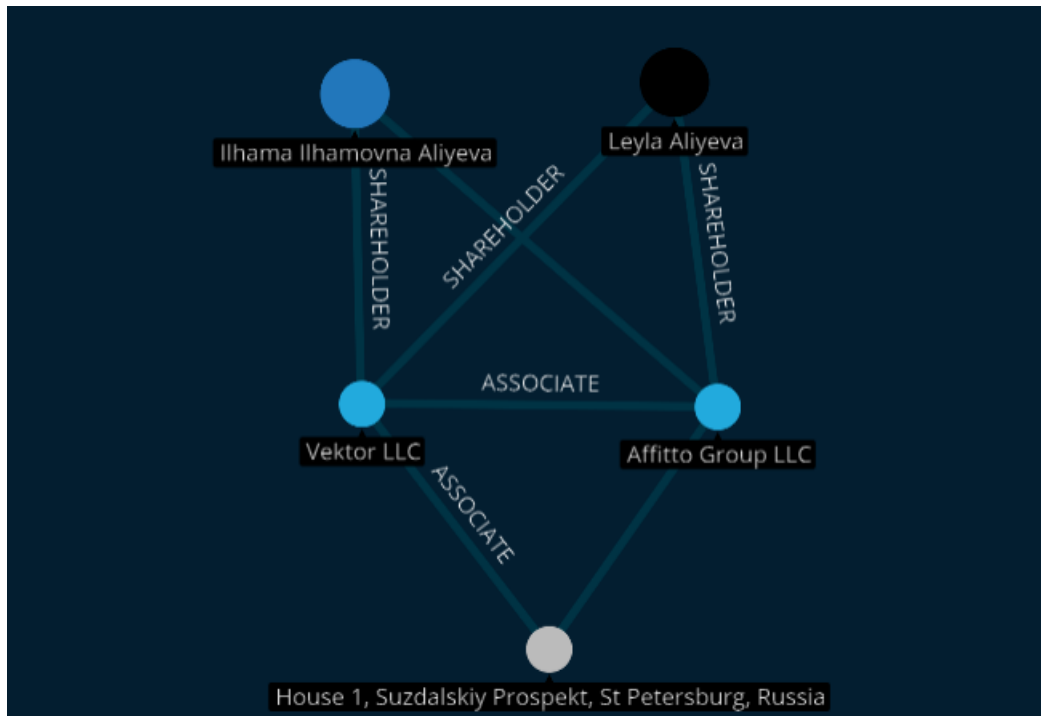


Leyla Aliyeva is also a former shareholder of three additional Russian real estate companies—Restel LLC, Vektor LLC, and Affitto Group LLC. All three have been involved in stalled urban redevelopment deals in St Petersburg,<sup>[323] [774]</sup> raising questions about whether these were legitimate redevelopment businesses or merely a pretext for other—potentially suspicious—financial activity.

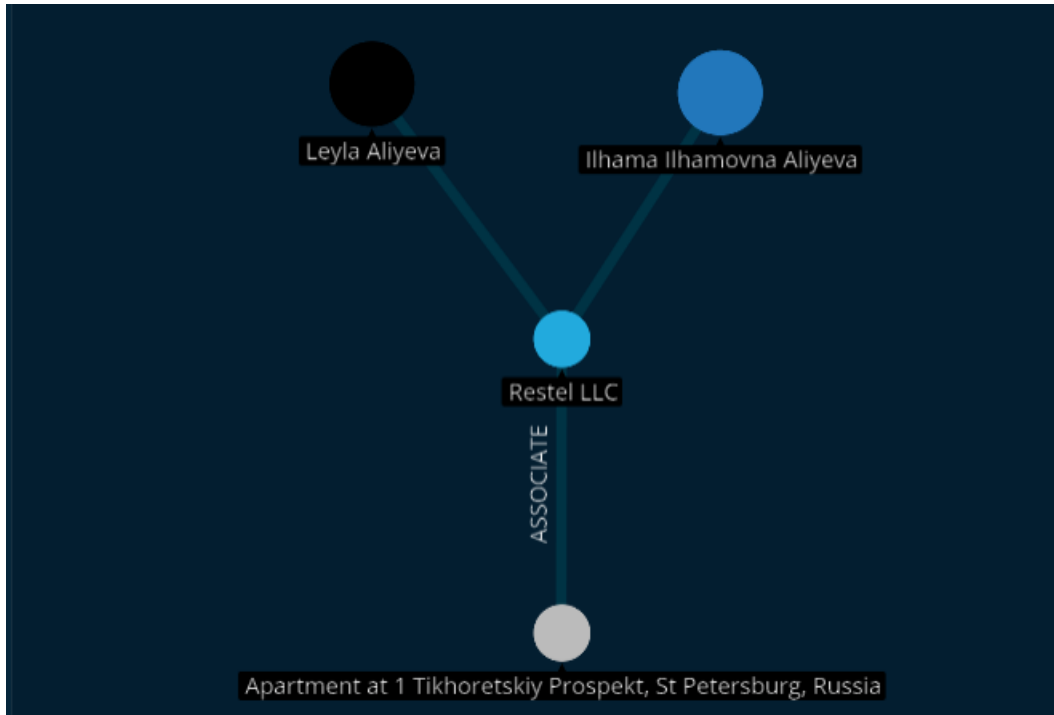
In 2022, the majority of shares in each company was transferred to an individual called Ilhama Ilhamovna Aliyeva, which may be a pseudonym for either Arzu or Leyla Aliyeva—“Ilhamovna” means “daughter of Ilham,” President Aliyev’s first name—or another Aliyev family member altogether.<sup>[192] [325] [326] [190]</sup>



In 2010, Affitto Group acquired a lease for a 2,330-square-meter high-rise housing block in northern St Petersburg from the city administration as part of a redevelopment deal.<sup>[323] [774]</sup> Affitto Group planned to turn the block into a retail store with its development partner, Vektor LLC.<sup>[323]</sup> However, in 2019, the company was ordered by a St Petersburg court to pay over 2 million rubles (\$30,410) in unpaid rent and fines after a six-year period of reduced rent had expired and no development had taken place.<sup>[323] [326]</sup> The lease was renewed in April 2023, but there are no signs that the block has been redeveloped.<sup>[774] [804]</sup>



In 2009, Restel LLC signed a lease for a property in northern St. Petersburg, a 154-square-meter apartment in a housing block.<sup>[793] [794]</sup> The property was owned by the city administration.<sup>[793] [794]</sup> In 2020, Restel unsuccessfully sued the administration for not extending its lease.<sup>[794]</sup> The following year, Restel sued the administration again, requesting to continue leasing the property without going through a public bidding process.<sup>[793]</sup> The court refused the company's request.<sup>[793]</sup>



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