



Career switch: from criminal to real estate entrepreneur?

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Relevant cases

We can't emphasize enough how valuable the reported unusual transactions (UTRs) reported by obliged entities are.





FIU-the Netherlands

The illegally acquired money was first given to the family member by the man himself and is thus laundered through this loan. In addition to these loans, this case also involved a striking pattern of payments within a network of businesses, all owned by friends and acquaintances.

After the transactions were declared suspicious, the case was discussed within the RIEC (Regional Information and Expertise Center), in which various government agencies such as the police, municipality, and tax authorities work together to combat subversive crime. ‘The man profiled himself as the real estate guy, had built up a substantial real estate portfolio in a very short time, with no start-up capital. The big question was how?’ our analyst said.

The first purchases were made with the loan-back construction as described earlier. Mortgages were taken out with borrowed money. Financing costs were remarkably high. Also, interest and principal payments were irregular, incomplete, or not paid at all. Finally, the investigation showed that the properties the suspect bought were mainly rented to companies and persons within his own network.

The large amounts of cash deposits reported by the bank turned out to be mainly rent payments to the suspect. In the course of the police investigation, it appeared that due to the growing size of his real estate portfolio, the suspect increasingly presented himself (among others to gatekeepers) as a real estate entrepreneur. This made it increasingly easy for him to do business with parties from the “upper world.” He eventually managed to obtain financing from a financial institution and reputable companies became tenants of his premises. This rental income was collected through a rental agency. The criminal origin of his assets was thus increasingly obscured.

Whereas the man initially used a construction with money laundering indicators, he shifted more and more towards legal constructions and was therefore harder to detect. During the police investigation, it also turned out that based on financial intelligence from FIU-the Netherlands, a suspect emerged who had not been in the picture before. ‘That is awesome, that our financial intelligence brings someone who is under the radar to the attention of our public partners,’ says the FIU analyst. ‘That we as a AML/CFT-chain can work together on completing the picture. That gives me satisfaction, when we can provide a ‘I didn’t know that yet’ piece of the puzzle to the investigation.

As a result of the police investigation, the suspect, along with several persons from his network, was arrested and the entire real estate portfolio was seized. The value of this real



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