

# Vekselberg Linked to Hungarian Realty Deal

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**The  Moscow Times**

A famous whistleblower and a business daily on Wednesday linked billionaire Viktor Vekselberg to a shady real estate deal in downtown Moscow that has already resulted in three arrests in Hungary.

The accusations concern the Hungarian trade mission's building on Krasnopresnenskaya Naberezhnaya, which was sold in 2008 for \$21.3 million to offshore company Diamond Air and purchased by the Russian government the next year for 3.5 billion rubles (\$125 million).

The former Hungarian ambassador to Russia and two other officials were arrested in Hungary in February on charges of intentionally underpricing the building, whose market price stood at \$52 million in 2008, reports said at the time. All suspects denied wrongdoing.

The Interior Ministry is currently looking into the second part of the deal, in which the building was purchased for the new office of the Regional Development Ministry,

Vedomosti [reported](#).

Diamond Air, which sold the building to the government, was controlled by Vekselberg's Renova holding, the daily said. The accusations were backed by anti-corruption activist Alexei Navalny in a blog post Wednesday.

Navalny said he and his unidentified supporters have been looking into the deal for some time and decided to go public, despite not having completed their investigation, because of Vedomosti's report.

The Prosecutor General's Office confirmed last month that the sale of the building to the government was done "at a maximum price, harming the buyer," Navalny [wrote](#) on his blog, citing a written reply to an inquiry. The reply, a copy of which is available online, is signed by Deputy Prosecutor General Alexander Buksman.

The deal prompted Deputy Prime Minister Dmitry Kozak to request its annulment in September, but Federal Property Management Agency head, Yury Petrov, said the next month that there were no grounds for such a move, Vedomosti reported.

Buksman said in his letter that the ministry is currently "taking measures to evaluate the real cost" of the building. He did not elaborate.

The ministry declined to comment Wednesday. Representatives for Vekselberg and Renova also made no public statement on the matter.

An unidentified source close to the 2009 deal told Vedomosti that Vekselberg was asked to be the middleman in the purchase by the Russian government. Navalny, meanwhile, said businessmen are still likely to profit from such deals. "They make money that way," he was cited as saying.

Vekselberg's fortune was [estimated](#) at \$13 billion by Forbes Russia in April. The 54-year-old businessman is currently in charge of the government's project to create an innovation hub in Skolkovo outside Moscow.

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