

Investigation into fraud with Belgian real estate

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Kasteel Withof in Brasschaat recently made the headlines through the sale to the Urban Capital real estate group. That now appears to be incorrect. © Benoit De Freine / ID

The Luxembourg investment fund LFP 1 SICAV-SIF has reported on the Belgian real estate group Urban Capital and its directors in Belgium, Luxembourg and the US after discovering a multi-million dollar fraud. The pivotal figure at Urban Capital is former tennis player and businessman Levi Dewaegenaere who has already been discredited.

It was a relatively unremarkable report in some newspapers at the beginning of July: the Withof castle in Brasschaat, once a star restaurant but now looking for a buyer for years, has a new owner. According to the articles, this concerns real estate developer Urban Capital Group, also from Brasschaat. They quote Inge Caes, director of Urban Capital Group together with her husband Levi Dewaegenaere, and show a photo of her posing in front of the protected building.

Lawyer Erik Greeve, the liquidator of the company who owns the monument, does not want to comment. But inquiring elsewhere shows that there is no question of a sale: the Dutch entrepreneur-investor Cornelis den Braven, who pumped millions into the building, is still the owner and no contract has been concluded.

Seizures

What's more: Urban Capital Group, Urban Capital Holding and three other related companies appear to have been seized as ordered by the chairman of the Antwerp Commercial Court at the end of June. The chairman's decision goes further. For example, two provisional administrators have been appointed, as a result of which Caes and Dewaegenaere directors are dismissed.

Moreover, the administrators are instructed to "locate the assets of the five real estate companies and make them unavailable to individual shareholders" (read: Dewaegenaere and Caes), a court order stipulates. They must also have a general meeting to dismiss the two as directors and take over the accounting of the companies.

Middle East

De Tijd discovered that the president of the court took action after a unilateral petition. This was submitted by the Luxembourg "umbrella fund" LFP 1 SICAV-SIF which includes another fund, Equity Power Fund (EPF). A few dozen investors, mainly from Europe and the Middle East, invested around 60 million euros in EPF, the lion's share of which - 30 to 40 million euros - went to Belgian real estate. It concerns about a dozen projects, mainly homes in Antwerp, but also in Brussels, Spa and Moeskroen, among others.

The Luxembourgers have been working with Urban Capital since 2015 and have almost complete (99.4%) control of the group and its subsidiaries. The remaining shareholding is with Dewaegnaere and Caes who managed Urban Capital and set up their own real estate projects, such as the well-known Glass House in Antwerp.

Investigator

LFP 1, however, received new directors, with David Mapley from Britain as chairman. Mapley, meanwhile also fund manager at EPF, is a financial expert and investigator of the Swiss private firm Intel-Suisse. The appointment of an investigator is not a superfluous luxury: various subfunds of LFP 1 were previously poorly managed by a third party, with missing documents. At EPF, too, he encountered numerous irregularities during an investigation following the granting by LFP I of a refinancing for the purchase of a property.

“We also have proof of forged documents.” - David Mapley, Chairman, LFP 1 SICAV-SIF

"It seems that at least six or seven real estate assets and / or projects disappeared from the portfolio in a fraudulent way without our knowledge. We also don't know where the money from the sale is," says Mapley. "Other assets were given as collateral without approval. We also have proof of falsified documents, with incorrect amounts and signature, coupled with a fictitious US financing to double the value of a recent paper investment. A fake US tax identification number was used. "

Smoke Screen

Mapley points with an accusing finger at, among others, Dewaegnaere and Caes. On a visit to Belgium in the beginning of 2019, everything seemed to be in order at first sight. But that soon became a smoke screen. "They lied to us. We discovered in recent weeks that the closed office of Urban Capital in Brasschaat was seized by ING. A BMW garage in Deurne that we visited together turned out to have been sold to Lidl two years ago. All of that makes us very concerned. "

A complaint has already been filed with the FBI for the American side of the story.

In addition to the proceedings at the company court, the new management in Luxembourg is also preparing a Belgian criminal complaint at the Antwerp prosecutor's office. A complaint has already been filed with the FBI for the American side of the story. In addition, the financial supervisor in Luxembourg is kept informed. Dewaegnaere and Caes were not available for comment on Friday and did not respond to messages. The lawyer of Dewaegnaere, Stefan Snepvangers, does not want to make any comments. According to our information, Dewaegnaere & co. object to the Antwerp decision. He also appears to oppose the investigations of the administrators and Mapley and his team in every possible way.

In addition to his real estate interests, the man is also known as the founder of the Waegener company that specializes in high-tech treatment of trauma and cooling device injuries. Dewaegnaere was able to convince a number of well-known names to invest (see below), but Waegener went under in 2013 after a long struggle and losing millions. In the meantime, it made a new start.

Together with his right hand at Waegener, after the bankruptcy, Dewaegnaere had to come before the criminal court in Turnhout on charges of fraud, forgery, money laundering and abuse of trust. At the beginning of last year, however, he was acquitted on virtually all points and was only sentenced to 10 months with a delay and a fine for forgery in writing with two invoices. Both the public prosecutor and himself appealed. That case is still pending...

Meat, plastic and tennis

Levi Dewaegnaere (41) from Ekeren has been in business since a child. His father Jean-Pierre had a packaging company under the name Dewaegnaere Plastics for frying, among other things. His maternal grandfather was at the heart of the important meat wholesaler Vagro in Wommelgem, which in the meantime became part of the Charles food group of the De Cock family.

As a child he spent a lot of time with his grandparents who owned a riding school and a tennis club. There he discovered his interest in tennis and was often on the court. As a young player, he won "one tournament after the other, both at home and abroad," Dewaegnaere writes in a short bio on his own website. He exchanged the classical school for top sports education and even went to Florida at the age of 17 to become more proficient in sport. His lawyer described him last year as the "David Goffin of the 90s".

Not much later, however, his luck changed and he was struggled with injuries and pain. Those complaints eventually became untenable and at the age of 21 he decided to step out of tennis. He then started in the real estate sector. First as a salesman but from 2004 with his own project developer, with the support of his father and grandfather. That firm became the basis for its real estate activities.

Also in 2004, this time with the support of both parents, he founded the firm Fysionix, later Waegener. With the aim of developing a medical device to heal injuries and traumas faster. On his website, Dewaegenaere calls it another dream, from his tennis period, that comes true. Others minimize his capacities as an entrepreneur and manager. "Without his parents' money, he would only be a tennis teacher," a former employee once told Trends.

[Bert Broens](#),

Journalist Ondernemen, De Tijd

Famous names

Dewaegenaere was able to attract a number of well-known names at the Waegener medical company in the initial phase. For example, former Barco CEO Martin De Prycker was technology director and investor for a short time.

Musician and TV maker Jan Leyers also put money in Waegener, just like former football broker Louis De Vries, the new owner and strong man of football club Sporting Lokeren. Former top sport manager Ivo Van Aken is still involved with the company, as operational director.