

Business · Timeshare attorneys secure convictions on assembly lines:

The Anfi group is being investigated for fraud

Published:
October 31, 2019

The timeshare giant behind Gran Canaria's Anfi del Mar resort has in recent years been sentenced to pay \$ 100 million in damages to former customers. Police now suspect that two companies in the Anfi group may have dropped accounts to avoid seizures.

Text:
Fredrik
Grønningsæter

The deceased entrepreneur Bjørn Lyng's magnificent southern vision, the resort Anfi del Mar in Gran Canaria, was in his time the very image of timeshare happiness. 869 apartments from 80 to 360 square meters rest on an artificial beach of imported white Caribbean sand on the more sheltered southwestern part of the island. Since the early start of the 1990s, thousands of Norwegians have realized their holiday dreams here through timeshare contracts.

also read



Jølstad is the industry winner:

Funeral market right to heaven

Today, the Lyng family has sold out of glory for a long time. A number of dissatisfied timeshare owners have been trying to get out of their contracts. Many have been sued in court and are claiming compensation from the timeshare giant, but the money is constantly waiting for them. Spanish police have now opened an investigation into the case.



↑ The Timeshare Dream: The giant Anfi del Mar facility on the southwest side of the Canary Islands consists of less than 1,000 apartments. The apartments are used by 30,000 members, and around 7,000 are Norwegian. © Hegnar Media





↑ The Lyng family: Bjørn Lyng (th) built up Anfi del Mar during the 90's. Since then his son sued Ragnar Lyng (above) his father's former business partner, and today the family has sold out. Photo: Kapital

200 Norwegian are waiting for payment

In 1998, Spain enacted an EU directive regulating the sale of timeshare shares. In the new law, perpetual contracts, the so-called floating week system and prepayment contracts became illegal. In a groundbreaking decision in the Spanish Supreme Court in 2015, Norwegian Tove Irene Grimsbo from Bærum, as the first with a background to the EU directive, won his claim against the Anfi group in the Spanish Supreme Court.

Following the 2015 ruling, an avalanche of rulings in the Spanish justice system went in favor of disgruntled timeshare customers, and the Anfi group is one of several timeshare companies that have been sentenced to compensate hundreds of customers for illegally concluded contracts.

- They trained and trained. In the end, I got what I had given for the apartment initially.

Tove Irene Grimsbo

also read



40 below 40:

The new stars in Norwegian business

The Grimsbo case was led by the law firm Canarian Legal Alliance (CLA), which specializes in timeshare cases. On their website, they state that they have had over 2,600 claims from timeshare clients in court. So far this year, they have obtained more than 400 convictions against the Anfi group, and they have collected over € 12 million, equivalent to NOK 121 million, on their behalf.

- In one of the last cases, our client was awarded 311,000 euros, general manager Csilla Nazali of CLA tells Kapital and points out the case went through the system quickly:

- The court concluded that Anfi had to repay more than twice the amount the client had paid in deposit. Where this type of case has taken a long time in the past, the process now only took six months.

CLA states to represent over 300 Norwegian timeshare holders. Of these, almost 200 people will wait to receive compensation per year. Today. So the problem does not seem to be winning the cases, but rather getting the money paid.



↑ Overall evidence: Attorney Miguel Rodríguez Ceballos (pictured) and CLA Attorney Eva Gutiérrez delivered a comprehensive report to prosecutors in January. Jørgen Hyvang

Opened police investigation

In July, the Las Palmas prosecutor's office opened an investigation into two companies in the Anfi group. The background is suspected that the companies have lost bank accounts to prevent them from being seized. The Spanish national channel TVE reported in connection with the news of the investigation that only a few years ago sums were recorded as 13 and 20 million euros in current bank accounts linked to the companies, while the balance of the accounts today is zero and some even minus.

CLA lawyer Eva Gutiérrez and her former colleague Miguel Rodríguez Ceballos, who represented Grimsbo, in January provided a comprehensive report to prosecutors based on information they had accessed through the court system. The lawyers believe the material shows that there is reason to suspect the Anfi group for financial crime. CLA's general manager informs Kapital that the ongoing investigation is the direct result of the material that was delivered.

"The starting point for the investigation is a frustration over the lack of payments, neglect of enforceable judgments and the loss of accounts," explains Nazali.

As early as 2015, the law firm suspected that the companies' bank accounts may have been dropped. In the interview with TVE, Gutiérrez explains how the accounts appear to have been systematically emptied after the first victory against the Anfi group in 2015.

"The investigation is with the prosecution, but based on our investigations we estimate that there have been between 10 and 20 million euros in the relevant accounts that have now disappeared," says Nazali.

The two companies in the Anfi group under investigation are Anfi Sales and Anfi Resorts.

Capital has been in contact with the prosecuting authority in the Canary Islands, but is informed that they cannot comment on an ongoing investigation.

The online newspaper El Diario writes that the prosecution looks at five specific cases where the Anfi group failed to pay sentenced claims in the years 2017 and 2018. Some of the claims that have been withheld are in the order of € 200,000, corresponding to more than NOK 2 million. How large sums that the Anfi group has so far been ordered to pay in compensation is difficult to get an overview of, but a reasonable estimate will be well over NOK 100 million.

estimate will be well over NOK 100 million.

Another key element of the investigation is that several timeshare customers have recently experienced that bank accounts for maintenance expenses have changed ownership to other companies outside the group, writes the online newspaper.

This is in line with a tip Capital has received from a timeshare owner at Anfi del Mar. The person in question stated that the bank account for the annual maintenance fee that the members must pay has changed owner several times in recent years.

Got seized

An example of how difficult it is to get paid claims from the Anfi group is the case of Per Olav Andersen from Oslo. Andersen won his case in Spanish Supreme Court in July 2016, but the compensation sum was waiting. Finally, CLA, which represents Andersen, received a court order to seize bank accounts with the relevant companies in the Anfi group.

- It didn't help much, because the accounts were empty. This is how Anfi managed to turn away from the payout. In 2018, we managed to get part of the amount - about 4,000 euros. In May this year, the court would appoint an auditor to find out why no more of the compensation had been paid. On the day this happened Anfi paid the rest of the sum, explains Nazali.

Andersen himself is tired of the whole process, and he is not happy with how the Anfi group has performed.

- This has taken its time, you might say. It's been over two years since I won the Supreme Court. In May this year I received around 200,000 kroner, but I still have a claim of about 150,000 kroner. In addition, interest rates come. The Anfi group has constantly blamed them for not having money.

- Why did you go to court in the first place?

- I eventually started to get little back for my contract at Anfi del Mar, and I thought it was starting to get expensive. I had been promised when I bought it that I could sell it back whenever I wanted. They wiped it off when I asked. I have not been down there since this began, but I am kept well informed by the law firm.

CLA states that Andersen's total claim for damages was EUR 50,000, about NOK 530,000.

- Based on our investigations, we estimate that there have been between 10 and 20 million euros in the relevant accounts that have now disappeared.

Csilla Nazali Managing Director
CLA



↑ Won in Supreme Court: Former BI professor Rolf Høyer here celebrates with CLA's Anja Petersen and Cristina Batista after they won over the Anfi group in 2015. CLA

Victory and fees

As for the Norwegian who started the "flood" in 2015, Tove Irene Grimsbo, it also took a long time from the case was settled until she received the settlement.

- The case was all about saying I was promised that Anfi would buy my apartment back when I wanted to sell, and then resell it. They did not. At that time there were hundreds of lawsuits awaiting the outcome of my case, says Grimsbo.

Grimsbo feels that she ultimately did not get very much left for all the efforts.

- They trained and trained. In the end, I got what I had given for the apartment initially. The law firm also took his own, so Anfi probably had to spend some money.

According to several of CLA's clients Kapital has talked to the lawyers, they are well paid, but they also achieve good results.

Former professor at BI Norwegian Business School, Rolf Høyer, was also able to collect a victory over Anfi with the help of CLA in 2015.

- It started with a campaign in which they would undertake to collect compensation for the illegal sale of timeshare apartments. I took the chance. First we lost in local court, then the case went to the court of appeals in Las Palmas where we won, and finally it ended in the Supreme Court. We didn't win Jaggu there either, says Høyer.

He also talks about significant problems in getting the compensation he was entitled to.

- The Anfi group did what they could to train the payment. They offered, among other things, Supreme Court to deposit the debris for properties that proved to be of little value. Finally, they were sentenced to further forced recovery, and then they paid.

In 2017, approx. two years after the Supreme Court ruling, Høyer was paid over 100,000 euros in damages.

- I was notified of the entire purchase price, as well as a substantial compensation with interest, so I am very pleased. CLA made an outstanding effort.

- Santiago Cazorla had provided € 8.6 million in the cash register. He paid back slowly but surely. Cazorla even stated that he had borrowed money to pay bills in other companies he owned.

Ragnar Lyng Bjørn Lyng's son



↑ Ragnar Lyng

A troubled partnership

The Anfi Group is owned by Grupo Santana Cazorla, which is controlled by the brothers Manuel and Santiago Sant-ana Cazorla, and Anfi International BV. The latter was the life work of Norwegian Bjørn

Lyng. The Cazorla brothers bought in after Lyng's first partner, the German travel company TUI, withdrew in 2004. The deal, on the other hand, secured the brothers the so-called gold share, which gave them the presidency and double vote in the company.

In 2013, the conflict intensified by the fact that the Lyng heirs sued one brother, the then CEO of Santiago Santana Cazorla, for having swindled in excess of eight million euros. The Canary Journal wrote at the time that the scam should have happened by money being transferred to companies affiliated to the Anfi group and owned by Santana Cazorla, without the Lyng family being informed of the transfers.

- We won the case. Santiago Cazorla had provided € 8.6 million in the cash register. He paid back slowly but surely. This was not a difficult matter. Cazorla himself stated that he had borrowed money to pay bills in other companies he owned, Bjørn Lyng's son, Ragnar Lyng, tells Kapital.

Since the trial, Santiago Santana Cazorla has emigrated to Morocco. ABC News reported last year that Santiago had entrusted the operation of the Anfi group to his brother. It was speculated whether this was due to a quarrel with the brother, or whether it was due to his connection to the corruption case referred to as "Gondola", which was soon to appear in court. In addition, it was pointed out that he had settled in bottomless debt.

In 2016, the Lyng heirs sold their remaining half to the German hotel group IFA, which is part of the Spanish Lopesan group.

Calculated risk

Grupo Santana Cazorla bought its stake in the Anfi group of TUI in 2004 for about NOK 1 billion. IFA got its half significantly cheaper. They paid only NOK 384 million, but in return they had a troubled partnership. In their annual report for 2018, they make several comments regarding the acquisition. They note that they have gained an important footing in the tourism industry in Gran Canaria when purchasing, but then comment on the risk of the purchase:

- The purchase involves a risk. For IFA, there is a risk to our investment associated with the two affiliated companies Anfi Sales and Anfi Resorts. Especially when it comes to the legal disputes the companies are involved in.

However, the report points out that this risk has been assessed in relation to the purchase price.

Furthermore, it is stated that IFA also looks with skepticism at the company structure itself, and especially Grupo Santana Cazorla's influence. IFA's representatives are not involved in important decisions, and they point out, for example, that they have no influence on either the election of the auditor and the preparation of the annual accounts of the Anfi group.

Nor is this considered to be decisive for the investment, as they consider it unlikely that the situation will have a significant financial impact.

What they do worry, however, is that the Anfi group's activities today could lead to a loss of reputation for IFA in the long run.

Capital has not succeeded in getting in touch with either the IFA Group or Grupo Santana Cazorla in connection with this case.

Quiet from Anfi

Capital has repeatedly tried to get a comment from the Anfi group, both through their communications department and through direct contact with Communications Director Rubén Reja. Reja finally responded in a brief message that the company has no opportunity to answer questions regarding this matter.

Kapital's experience seems to reflect the efforts the Canary Journal has had when the newspaper has been out in the same business. The newspaper, on the other hand, succeeded in getting a brief comment

- The starting point for the investigation is a frustration at the lack of payments.

Csilla Nazali Managing Director
CLA

from Reja in 2016, in connection with the first flood of litigation. At that time, Reja said he wanted to discuss the various issues directly with the members concerned.

The Canary Journal reported in July that the prosecuting authority on the island is seeing signs that may indicate insolvency in the Anfi group, but the CLA does not share this view.

- The company is in full operation, and we have not registered any evidence that they will go bankrupt. The shareholders, and especially the IFA group, are large companies. Though, you can never know, says Nazali.

Also read:

The number of timeshare lawyers in the Canary Islands has exploded following the Grimsbo ruling in the Spanish Supreme Court in 2015.

Share article:

Facebook →

Twitter →

Email →

Also read:



Big industry for the lawyers

The number of timeshare lawyers in the Canary Islands has exploded following the Grimsbo ruling in the Spanish Supreme Court in 2015.

1 min reading time



Growth in plastic surgery:

- Now the result should look completely natural

More and more Norwegians are under the knife to improve their appearance. At the same time, it has become more important than ever that it should not appear that something has been "fixed on", reports the industry expert.

5 min reading time

business



Bank contributions to Kjos and Kise:



Has lost 3.5 billion in one year:
Star click for star manager



Jan Magnus Kleven from Ålesund is a newcomer to the 400 list:
- Exit people are not here



Threatening deficit for Skigaarden company:
- It looks awful, but soon it turns

	<p>Got a million in silence</p> <p>6 min reading time</p>	<p>9 min reading time</p>	<p>6 min reading time</p>	<p>10 min reading time</p>
--	--	---------------------------	---------------------------	----------------------------

Others also read:

Thursday, October 24, 2019

Wine Tip of the Week: Mature and clear Bordeaux

Follow every Thursday at 13:00. Wines that excite wine journalist Svein Lindin are the basis for this week's wine tips.

20 min reading time



Housing quarrel continues:

Grace Skaugen meets developer in court

3 min reading time



Web Bear Sand (53)

Born 400–500 years late

10 min reading time



The industrial giant Orkla is priced sky high on the Oslo Stock Exchange

Orkla party at the end of the road

4 min reading time

Capital
reportage
Portrait
Inside
Career
tech
investor

capital Index
40 below 40
Norway's 400 richest
Norway's 100 Most Powerful Women
Norway's 500 largest companies
The most powerful business sector

Capital
capital index
KapitalVin
capital Tourism
KapiTalt Blog

History
readers
Advertising
Disclaimer
Most asked questions
Contact Us
Privacy



Issue 18 out now

Facebook Twitter Instagram newsletter