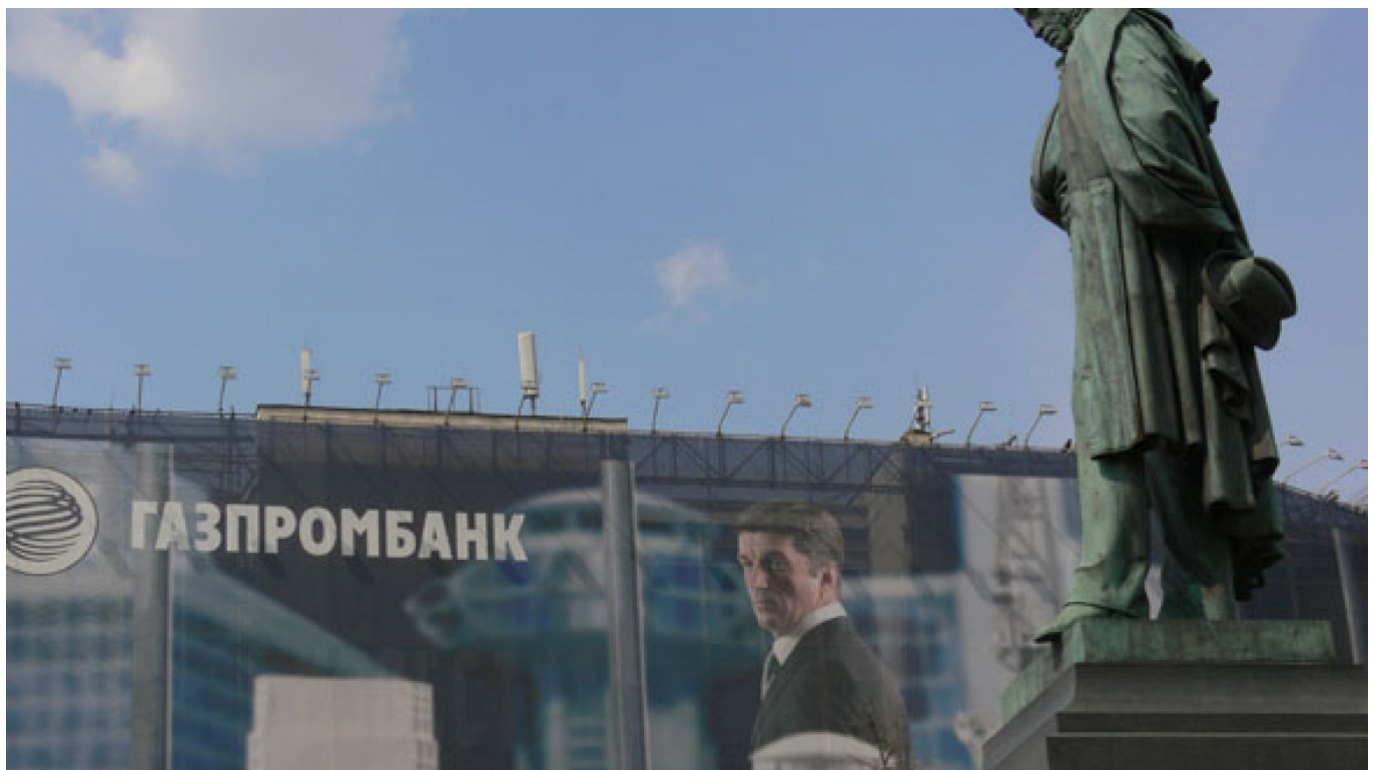


Qatari Firm, Gazprombank Plan \$150M Real Estate Fund

By [Anton Filatov](#)

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An billboard for Gazprombank over Pushking Square in downtown Moscow. Qatari Barwa Real Estate is expected to bring investment and development to various Russian regions in its planned \$170 million ve **S. Nikolayev**

Qatari Barwa Real Estate and Gazprombank have announced the formation of the Barwa Gazprombank Russia Real Estate Fund with contributions of \$75 million each.

Gazprombank executive vice president Anatoly Milyukov said the fund would invest in housing and commercial real estate development projects in Moscow and other regions.

Preliminary agreements have already been reached on several projects, Milyukov said. He declined to give details about those agreements.

Barwa stated in a financial statement that it has a 16,000-square-meter shopping center construction project in Astrakhan.

Barwa could not be reached for comment.

The partners also intend to attract credit. They had previously stated that they plan to raise about \$500 million. Milyukov said those plans have not changed and they want to locate an additional \$350 million in the immediate future.

Many foreign investors have left Russia since the beginning of the financial crisis. The Rutley Russia Property Fund (\$1 billion), Aberdeen Property Investors (\$1.99 billion) and Developers Diversified Realty — which, along with ECE, planned to invest \$1.33 billion in Russia — have canceled their plans.

Most of the companies that have stayed have already obtained property in Russia. They include Immofinanz, BPT Arista, Sponda and Eastern Property Holdings.

The low level of activity by foreign investors is mainly because of their dissatisfaction with the level of risk for their money, said Colliers International general director Maxim Gasiyev. It is easier for them to invest domestically or in parts of Eastern Europe where the market is more transparent, he said.

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