

Qatari Fund Negotiating Purchase of Pokrovsky Hills

By [The Moscow Times](#)

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Pokrovsky Hills' infrastructure and location next to a top school make it unique, a real estate consultant said.

Qatari sovereign investment fund QIA is negotiating to buy Moscow residential community Pokrovsky Hills from a subsidiary of Goldman Sachs, a news report said Thursday.

Discussions between QIA and Whitehall, Goldman's real estate investment fund, are currently in the advanced stage, even though no final deal has been concluded, Vedomosti reported.

Two sources close to both sides of the talks have confirmed the information.

Spokespeople for Goldman Sachs, real estate consultancy Cushman & Wakefield — which handles rentals at Pokrovsky Hills on behalf of the investment bank — and the property management firm Hines have declined to comment. QIA did not respond to an inquiry concerning the pending deal.

Hines, which built the Pokrovsky Hills residential community in northwest Moscow in the early 2000s and has managed it since then will continue to administer the project after the sale, the sources said.

Colliers International's managing partner Nikolai Kazansky said the project, which was financed by Hines Emerging Markets Fund, "has no equivalent in Russia today."

Located close to the Khimki Reservoir and the Pokrovskoye Glebovo park, the Pokrovsky Hills residential community has more than 200 individual homes with a total area of more than 45,000 square meters that are leased to foreign specialists working in Russia including diplomats and top executives of major Russian and foreign companies.

The facility, which has its own medical center and is located next to the Anglo-American School, is very attractive to institutional investors for its steady returns and well-developed infrastructure, Kazansky said.

The project has changed owners several times throughout its history. In 2006 it was purchased by AIG Global Real Estate and Deutsche Bank, which then sold it to Whitehall two years later for an estimated \$300 million. Today, Pokrovsky Hills could be worth up to \$400 million, Kazansky said.

The QIA sovereign fund primarily manages Qatar's oil and gas assets, worth an estimated \$115 billion. The fund invests around the world including in major real estate projects in New York and London.

In 2010 QIA made an unsuccessful attempt to establish a \$150 million mutual investment fund with Gazprombank to invest in real estate in Russia. One year ago the Qatari fund negotiated the purchase of an entire stock issue of VTB worth up to \$3.5 billion, but could not agree on the price. The fund instead opted for buying 2.95 percent of the state bank's stock offered through a secondary public offering for \$500 million.

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