

GRDC hoards investors for Georgian development spree

Georgia's biggest developer, The Georgian Reconstruction and Development Company is to raise \$105m (£53.5m) from the sale of shares ahead of a stock exchange listing planned later this year.

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Institutional investors The Marbleton Property Fund, Altima Central Asia Fund and Citi's Global Special Situations Group have added \$90m (£45m) of firepower to that raised by the developer's first investor The European Bank for Reconstruction and Development, which is investing \$15m (£7.6m).

Investor confidence

The fund raising is a rare sign of investor confidence across Europe which had been crippled by the credit crunch and falling investment demand in the continent's more mature markets.

The money will initially be used to fund a four-property development programme in Georgia's capital of Tbilisi – the start of 20m sq ft of planned development across 21 schemes in Georgia.

Attractive investment target

GRDC's president Mamuka Khazaradza, said of the investors: *'Their involvement confirms Georgia as an attractive investment target for international, institutional capital seeking exceptional returns.'*

The developer's largest investor is The Marbleton Property Fund, which has invested \$50m (£25m).

The debt and equity facilities were arranged by Argo Saint George, an independent corporate finance advisor with offices in London and Tbilisi.