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The NEWS item below was published prior to our firm's name change on June 1, 2009. The content found on this web page URL is reflective of the name of our firm at the time this information was published, which was Kamlet Shepherd & Reichert, LLP. Our current firm name as of June 1, 2009 is Kamlet Reichert, LLP.

Rwanda draws Colorado capital State investors see opportunity to rebuild nation and profit

By Lisa Marshall, Special to the Rocky

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Looking out over a scenic 8-acre property wedged between the banana plantations and verdant hills of Rwanda's capital city, developer Nathan Loyd could see the future.

Wooden stakes marked the spots where bulldozers would soon lay the foundation for 29 modern homes, complete with tile roofs and manicured front lawns. By year's end, he said, the new homeowners would be settled in.

By early 2009, the Colorado investors who financed the project would be enjoying a roughly 30 percent return on their investment, Loyd said. And if all goes according to plan, a 1,000-unit housing project would be under way within the year.

"It's mind-boggling the changes that have taken place here," said Loyd, a Kenyan-American builder who moved to Kigali eight years ago to take advantage of a flourishing economy, an unmet need for quality housing and a lack of reputable companies to build it.

"The first picture that comes into anyone's mind when you say Rwanda is the genocide. Because of that, people are missing out. When it comes to business opportunities, it's the right place at the right time."

After the genocide

Loyd and his Colorado investment benefactor, [Rob Fogler](#), founder of Thousand Hills Venture Fund, are among the growing number of foreign business people taking a keen interest in a country better known as the site of one of the most brutal genocides in history.

From April through June 1994, Hutu extremists carried out a calculated campaign to rid the tiny African country of its minority Tutsi ethnic group. They used machetes, clubs and guns to massacre nearly 1 million Rwandans in 100 days in a nation one-tenth the size of Colorado.

News reports and films like *Hotel Rwanda* left a lingering image of the country as a savage, politically unstable place.

But 14 years after the genocide, Kigali has emerged as one of the safest capital cities in Africa, with an economy that is growing at a swift 7 percent annual clip, and a government committed to promoting international trade and stubbing out corruption, local investors say.

In 2007, for example:

* More than 500 foreign investors came to Rwanda seeking investment opportunities, and foreigners invested \$229 million into projects there, with telecommunications, energy and hotels topping the list, according to the Rwanda Investment and Export Promotion Agency.

* Dubai World vowed to invest \$230 million in hotels and other tourist facilities in Rwanda.

* And President George W. Bush's February visit, when he signed a U.S.-Rwanda

bilateral investment treaty, is expected to further boost the nation's blooming economy.

Denver-Kigali connection

The remarkable turnaround has caught the attention of Coloradans in particular, ever since Denver Tech Center developer John Dick invited Rwandan President Paul Kagame to Denver to meet with members of the local business community in 2004.

Since then, the Denver-Kigali connection has flourished:

* Denver entrepreneur Gaylord Layton built a million-dollar safari lodge in the country.

* Fogler's fund is poised to invest millions in housing and technology-based startups there.

* And Denver-Boulder planning firm Oz Architecture headed up the creation of an ambitious 50-year master plan for Kigali.

"Colorado is one of the leading states in terms of investing in Rwanda," said Rwandan Ambassador to the U.S. James Kimonyo, who spoke at the University of Colorado Conference on World Affairs in Boulder and was hosted at a reception at the Governor's Mansion in Denver this month.

Neither Dick nor Kagame is without critics. In 1993, Dick was jailed in a British prison for nonpayment of \$2 million in alimony to his ex-wife Elisabeth. (He moved to the British Channel Islands after the split in 1988.)

Kagame, a former military leader in the Tutsi-dominated Rwandan Patriotic Front, has been criticized by some civil rights groups for censoring the media and turning a blind eye to revenge killings against Hutus. (Paul Rusesabagina, the hotel manager made famous in *Hotel Rwanda*, is among his greatest critics.)

But some credit the Dick-Kagame collaboration with helping to put Rwanda on the telecommunications fast track and forging a relationship between Kigali and Denver.

Dick's former company, Terracom, laid a fiber-optic spine across Rwanda, making high-speed Internet access available in even the most remote regions.

Another of Dick's investments, Rwandatel, designed and installed a phone system that brought low-cost cell-phone service there.

The Rwandan government recently bought back Terracom and Rwandatel, prompting some Rwandan reporters to speculate that the relationship with the U.S. companies had gone sour.

But Dick says his work was done and it was time for the government to take the companies back. He still spends time there and even has Rwandan citizenship.

"If ever there was a country and a people that were let down by the rest of the world, it is Rwanda," Dick said during an interview from his home in Great Britain. "To see what they have done since then in terms of picking themselves up and moving forward . . . I think they have a tremendous vision for the future."

Fogler, a Denver lawyer, was so taken by that vision after meeting with Kagame during his 2004 visit that he walked away from his law practice and founded Thousand Hills Venture Fund, which deals exclusively in small and medium-sized Rwandan enterprises.

It has attracted 25 investors, amassed \$2 million and spent about \$600,000 so far. Fogler also has created two other investment vehicles that aim to provide greater sums to larger Rwandan projects.

"People have this perception that it is a struggling, disappointing place to visit or to be investing. It is quite the opposite," said Fogler, who travels to Rwanda regularly. "It has a good government which is strongly committed to the private sector. It has zero tolerance for corruption, aggressive growth in most industries, and most importantly, a very dynamic business community."

A glimpse of gorillas

It also has a green, mountainous landscape that has earned it the title "The Land of a Thousand Hills" and is home to most of the 700 remaining mountain gorillas.

But until recently, Layton said, it didn't have a decent safari lodge.

After meeting Kagame in Denver in 2004, Layton went on a whirlwind fact-finding trip to Rwanda and came away with a plan to build a lodge for luxury travelers wishing to

catch a glimpse of the gorillas.

He teamed with safari company Governor's Camp and the African Wildlife Foundation to build the Silverback Sabyinyo Lodge, a plush \$600-a-night tourist camp at the base of the jagged 11,923- foot Sabyinyo volcano. A portion of the profits are pledged to benefit the local community.

Layton said he, too, flew into Kigali expecting to find a dangerous, genocide-battered nation. But he walked away with that image erased. In reality, he and others say, Rwanda wants to be seen as a place trying desperately to heal and a legitimate place to do business.

"How could 1 million people be killed here and 14 years later, people are moving on?" Layton said. "I think it says mankind can go through the worst of times, and if he believes in the future, good things can happen."

Denver investors

* Denverite Rob Fogler founded Denver-based Thousand Hill Venture Fund, which is focused exclusively on investing in Rwanda. It is the only U.S.-based, for-profit equity fund investing in small to medium-sized enterprises anywhere in Africa.

* Denver entrepreneur Gaylord Layton teamed with safari company Governor's Camp and the African Wildlife Foundation to build the Silverback Sabyinyo Lodge, a plush \$600-a-night tourist camp at the base of the Sabyinyo volcano.

* Former Denver Tech Center developer John Dick founded a company, Terracom, which laid a fiber- optic spine across Rwanda, allowing for high-speed Internet access in even the most remote regions. Another of his companies designed and installed a phone system that brought low-cost cell-phone service there.