



For Immediate Release

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Paladin Realty closes a \$100 million Brazil side car to its Latin America III fund

LOS ANGELES and SAO PAULO, June 7, 2011. Paladin Realty Partners LLC, a leading emerging markets institutional real estate fund manager, announced today that it has held the final closing of **Paladin Realty Brazil Investors III, LP**, a \$100 million Brazil side car fund to its third Latin America regional real estate fund, **Paladin Realty Latin America Investors III, LP**. The Brazil III side car brings the combined Latam III/Brazil III fund capital commitments to \$554 million. The fund's investors include several leading U.S. pension funds and other institutional investors from the U.S., Europe and the Gulf. When combined with local partner equity and relatively modest leverage, the fund has the potential to invest in more than \$1.5 billion of assets across the region.

The fund continues the same investment strategy that Paladin Realty has successfully pursued in Brazil and throughout Latin America for more than 13 years, and which spans over \$4 billion of assets. Paladin's Latam strategy has two main components: 1) programmatic joint ventures with local homebuilders to provide affordable housing targeting the region's low-income and growing middle-class populations, and 2) opportunistic investments in commercial properties and select distressed opportunities (e.g., recapitalizing public real estate companies facing liquidity challenges as a result of the global financial crisis). In contrast to the typical real estate opportunity fund, Paladin Realty executes this strategy using low leverage (30-40% of cost).

To date, the fund has committed approximately \$330 million to various investments in Brazil, Mexico, Peru and Costa Rica. Among these were the recapitalization of two leading public homebuilders in Brazil, EVEN Construtora e Incorporadora SA (EVEN3:BZ) and VIVER Incorporadora e Construtora SA (VIVR3:BZ), closing both investments in late 2008 and early 2009 as these companies faced liquidity

challenges at the height of the global financial crisis. Paladin Realty's investment pipeline in the region is over \$1 billion.

The fund's placement agent was Triton Pacific Capital, along with its European affiliate, Capital and Marketing Group.

For more than a decade, Paladin Realty (www.paladinrp.com) has been a leading private equity investor in the real estate sector in Brazil and other Latin America countries. Founded in 1995 and backed by some of the largest U.S. pension funds and other institutional investors, Paladin Realty has invested in over 130 real estate projects throughout the region with a projected total capitalization of more than US\$4 billion. The firm invests with well-managed, local companies where Paladin Realty's capital and expertise can help such companies continue to grow and prosper.

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About Paladin Realty:

Paladin Realty Partners, LLC is private real estate investment firm that manages real estate investment funds on behalf of institutional investors and high net worth individuals. Founded in 1995 in partnership with former U.S. Treasury Secretary, William E. Simon, the firm is now wholly-owned by its active management team. Since its establishment, Paladin Realty's private investment funds have acquired or developed hundreds of properties, comprising a variety of product types located throughout the United States and Latin America, with a total projected capitalization of more than \$6 billion. Paladin Realty has been investing in emerging markets since 1998, focusing initially on countries in Latin America such as Brazil, Mexico, Chile, Peru, and Costa Rica. Since inception, the firm has developed projects throughout Latin America with a total projected capitalization in excess of \$4 billion.

For more information, please visit www.paladinrp.com or contact Fred Gortner, Managing Director of Paladin Realty (310-996-8762).