



For Immediate Release

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Paladin Realty Expands its Long-standing Relationship with Brazilian Homebuilder, YOU Inc.



São Paulo, Brazil, March 15, 2013 – Paladin Realty Partners, LLC, a leading real estate investment fund manager focused on Latin America, today announced the formation of a new programmatic joint venture with YOU Inc. Incorporadora e Participações S.A. (“YOU Inc.”) to develop middle-income housing in São Paulo, Brazil. This new investment was made by affiliates of Paladin Realty’s fourth institutional fund focused on Latin America, which recently closed. Paladin Realty is committing up to \$75 million to the joint venture, with YOU Inc. investing approximately \$32 million. With construction financing equal to 30-40% of total cost, this new “YP II Homebuilding Platform” has the potential to develop over 2,500 housing units with a total value exceeding R\$1 billion.

The relationship between Paladin Realty and YOU Inc.’s founder, Abrão Muszkat, dates back to 1999 and spans three of Paladin Realty’s prior investment funds. To date, Paladin and Muszkat have invested together in 41 projects, comprising over 6,600 units totaling over R\$2 billion of value (about US\$1 billion at the current exchange rate).

YOU Inc. is a private residential real estate developer incorporated in 2009 by Abrão Muszkat, who has over 35 years of experience in São Paulo’s residential market. The firm focuses on the development of high-quality, compact, for sale middle-income housing in São Paulo. Since the company’s formation three and a half years ago, it has launched 18 projects totaling over 2,200 units and R\$820 million of value. The company has an active pipeline of new projects currently under review with a potential sales value

of approximately R\$875 million.

“We’re very pleased to continue our longstanding relationship with YOU Inc. through this new joint venture,” said Randall Loker, Managing Director who oversees Paladin Realty’s residential investments in Brazil. “Demand for modern housing in Brazil continues to grow, particularly in São Paulo. YOU Inc.’s experienced leadership and nimble organization allow the company to take advantage of opportunities quickly.”

“Paladin Realty has been a terrific partner for more than a decade,” said Abrão Muszkat, President of YOU Inc. “The capital Paladin Realty has committed to our company, including through this new platform venture, has enabled YOU Inc. to rapidly become one of the leading private developers of quality middle-income housing in São Paulo. We look forward to continuing our relationship with Paladin Realty well into the future.”

About Paladin Realty

Founded in 1995, Paladin Realty Partners, LLC is a leading institutional real estate fund manager focused on Latin America. To date, the firm has invested in the development of over 25,000 residential units, commercial properties, and select opportunistic situations, totaling over US\$5 billion of projected total cost and located in Brazil, Colombia, Peru, Mexico, Chile and other countries across the region. Paladin Realty is headquartered in Los Angeles, CA, with staff located in Brazil, Mexico and Colombia.

For more information, please visit www.paladinrp.com.

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