



For Immediate Release

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Paladin Realty Pioneering the Development of Purpose-Built Rental Apartments in São Paulo, Brazil

São Paulo, Brazil April 29, 2020 – Paladin Realty Partners, LLC, a leading real estate investment fund manager focused on Latin America, has announced a new programmatic joint venture to develop a portfolio of purpose-built rental apartment properties in São Paulo, Brazil. The venture has initially committed in excess of R\$130 million to capitalize its first projects, with the intention of increasing the size of the program as more sites are identified.

While more than 40% of households in São Paulo are believed to be renters, there are few purpose-built, institutional quality apartment buildings due to a historical lack of debt financing and other factors. As a result, the existing rental market is comprised largely of “mom and pop” landlords who may rent one or two condominiums, providing a compelling market opportunity for well capitalized institutional investors to build and operate a portfolio of purpose-built rental apartment buildings. With a population of over 20 million, São Paulo represents an ideal market to launch the venture’s strategy.

The properties will be developed by Paladin Realty and Idea Zarvos, who together bring an extensive residential investment and development track record to the platform. Since 1998, Paladin Realty has developed nearly 40,000 for-sale residential units in Latin America, including over 18,000 units in Brazil. In addition, the firm has made over 80 value-added apartment investments in the U.S. comprising more than 15,000 rental units. Idea Zarvos has been developing iconic residential and office projects in São Paulo’s



prime neighborhoods for more than 15 years. With 44 projects completed or in process, the company has established a strong brand associated with cutting-edge architecture and high quality, having won more than 30 national and international awards in the last 10 years.

“We are very excited to be partnering with Idea Zarvos to deliver a portfolio of branded, purpose-built rental apartment buildings,” said Julian Villacorta, Managing Director at Paladin Realty. “The institutional rental apartment product is well-proven in the United States and elsewhere in the world but has yet to be properly established in Brazil.”

“The apartment rental market in Brazil is currently highly fragmented with a wide variation of unit quality, finishes and property management,” said Jim Worms, CEO at Paladin Realty. “After evaluating this market for more than a decade, Paladin believes that the time is right to launch a purpose-built rental apartment program.”

About Paladin Realty

Founded in 1995, Paladin Realty is a boutique real estate private equity investment manager and operator focused on value-add and opportunistic real estate investments in the U.S. and select markets throughout Latin America. Employing a hybrid allocator/operator investment approach, the firm invests through programmatic joint ventures, as well as directly managed investments, across a range of product types, including rental and for-sale housing, office, industrial, lodging, mixed-use projects and land developments. The firm is a U.S. SEC-registered investment adviser with the bulk of its staff based in four regional offices located in Brazil, Mexico, Colombia and Peru.

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

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