





# BRAZILIAN FINANCE & REAL ESTATE

FitchRatings  
BB- | A- (bra)

**BRAZILIAN**  
Finance & Real Estate

BRAZILIAN FINANCE & REAL ESTATE, BENCHMARK IN THE BRAZILIAN REAL ESTATE FINANCIAL MARKET, IS A HOLDING COMPRISED OF BRAZILIAN MORTGAGES, BRAZILIAN SECURITIES, BRAZILIAN CAPITAL AND BM SUA CASA.

BFRE



Participant in the Brazilian mortgage market, its main products are:

- Construction Loans,
- Mortgages to Individuals,
- REIFs,
- Mortgage Notes.



Originates mortgages for individuals and refinancing cash-out booked by Brazilian Mortgages



Participant in the Brazilian security market, with its Mortgage Backed Securities backed by:

- Mortgage Receivables,
- Under Construction Mortgage Receivables,
- Land bank Receivables,
- Lease Receivables.



Asset manager and advisor for real estate investments



Co-Investments in funds managed by Brazilian Capital

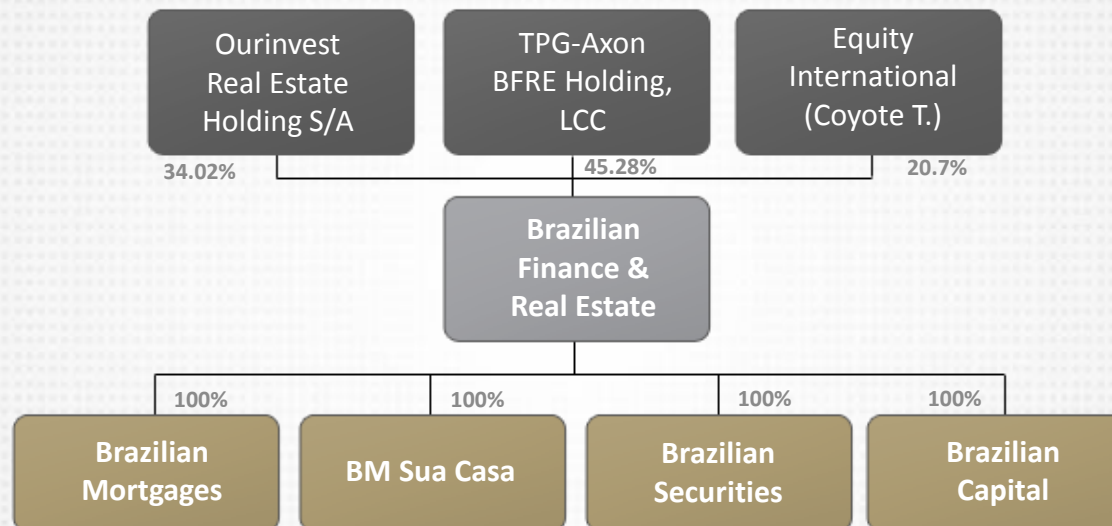
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## STOCKHOLDER STRUCTURE



## CONSOLIDATED FINANCIAL HIGHLIGHTS – R\$MN

	2008	2009	2010	2011
Total Revenues	168.2	245.3	431.6	516.2
Total Assets	1,311.8	1,583.8	2,111.8	2,414.3
Stockholders' Equity	475.6	610.9	711.5	762.1

Source: Company

**BRAZILIAN**  
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# BRAZILIAN MORTGAGES

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BRAZILIAN MORTGAGES IS BRAZIL'S LARGEST MORTGAGE COMPANY

## ACTIVITY HIGHLIGHTS

Founded in 1999, **Brazilian Mortgages** is Brazil's largest mortgage company

It stepped ahead in the real estate financial market through the creation of the **first REIF** focused on retail investors: **REIF Shopping Pátio Higienópolis**.

Other REIFs followed such as Torre Norte, and more recently **REIF Excellence**, the first REIF aimed at MBS acquisition, **BC Fund of Funds**, the first one aimed at other REIF shares acquisition.

At the same time, loans to developers and builders allowed for the construction of developments like Villa Florença in Rio de Janeiro, Sunrise Boulevard in Santa Catarina and Edgar Degas in Salvador, among others.

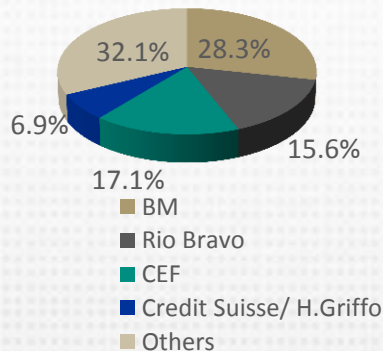
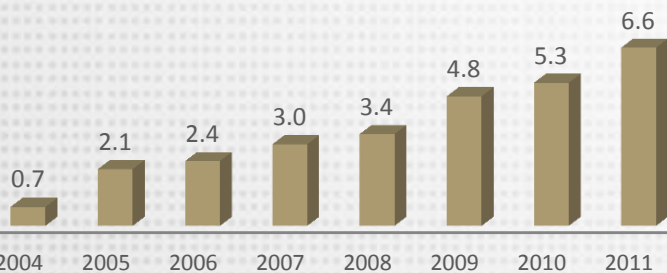
Brazilian Mortgage's **main products** are:

- REIFs
- Construction Loans
- Mortgages to Individuals

Funded by Mortgage Notes

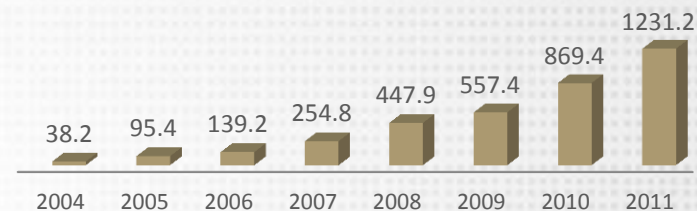
Rating BB- | A- (bra) assigned by **Fitch Ratings**

## STRUCTURED REIFs – ASSETS (R\$ Bn) and MARKET SHARE (%)

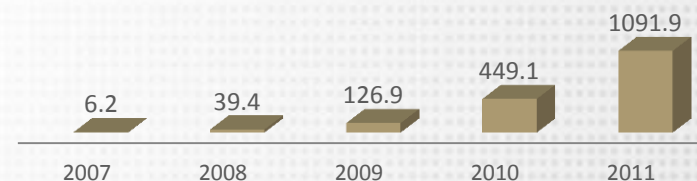


Source: Company

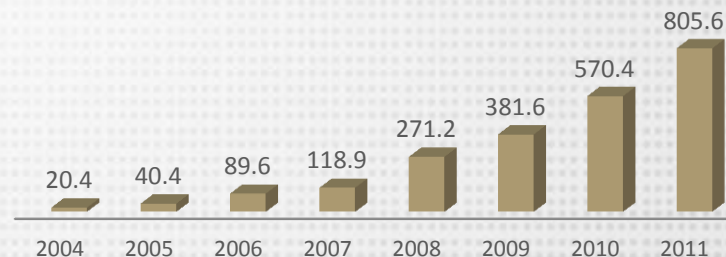
## TOTAL LOANS – R\$ Mn



## INDIVIDUAL LOANS EVOLUTION – ACCUM. R\$ Mn



## MORTGAGE NOTES – R\$ Mn



# BRAZILIAN MORTGAGES

## EXAMPLE OF BM's TRACK RECORD

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**1999**

R\$ 40 Million

Structured the first real estate investment fund targeting retail investors comprised of Shopping Pátio Higienópolis in São Paulo, SP



**2001**

R\$ 380 Million

Structured a real estate investment fund for Tishman Speyer, comprised of Torre Norte, a 62,000 sm Class AAA office building in São Paulo, SP



**2003**

R\$ 105 Million

Structured a real estate investment fund for CEF comprised of Edifício Almirante Barroso, a 20,000 sm office building in Rio de Janeiro, RJ



**2004**

R\$ 105 Million

Structured a real estate investment fund for Hines, comprised of Torre Almirante, a 42,000 sm Class AAA office building in Rio de Janeiro, RJ



**2006**

R\$ 65 Million

Structured a real estate investment fund comprised of Hospital Nossa Senhora de Lourdes, a hospital in São Paulo, SP



**2007**

R\$ 65 Million

Structured a real estate investment fund comprised of flats in São Paulo



**2008**

R\$ 95 Million

Structured a real estate investment fund comprised of Shopping West Plaza, SP



**2009**

R\$ 100 Million

Structured a real estate investment fund comprised of 15% of Parque Dom Pedro Shopping Center, in Campinas, SP



**2010**

R\$ 167 Million

Structured a real estate investment fund comprised of Ibmecc building, in São Paulo



**2010**

R\$ 28 Million

Structured the first real estate investment fund comprised of MBS. The REIF can also purchase real estate assets and Mortgage Notes



**2011**

R\$ 115 Million

BC Fund of Funds follow-on, with a R\$ 15 million additional tranche



**2011**

R\$ 54 Million

REIF Excellence follow-on. For the first time in REIF's history, the issuer offered two additional tranches to meet demand on a single placement.



Source: Company

# BRAZILIAN MORTGAGES

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## Example of BM's Track Record financing middle/small size developers in Brazil

**2007**

R\$ 9 Million

Corporate Loan to the construction of Cond. Villa Toscana, in Salvador - BA



**2007**

R\$ 7 Million

Corporate Loan to the construction of Julio Mesquita, in Campinas - SP



**2008**

R\$ 38 Million

Corporate Loan to the construction of Ed. Panorama, in Diadema - SP



**2008**

R\$ 32 Million

Corporate Loan to the construction of Ed. MORE, in Alphaville - SP



**2010**

R\$ 8 Million

Corporate Loan to the construction of Ed. Anauá in São Paulo - SP



**2010**

R\$ 21 Million

Corporate Loan to the construction of Ed. Infinity Corporate Center, in Belém - PA



**2010**

R\$ 35 Million

Corporate Loan to the construction of Residencial Diamond, in Goiânia - GO



**2011**

R\$ 13,2 Million

Corporate Loan to the construction of Ed. Aracati Office, in Imperatriz - MA.



**2011**

R\$ 26 Million

Corporate Loan to the construction of Ed. The Office in Manaus - AM



**2011**

R\$ 38 Million

Corporate Loan to the construction of Residencial Jardim de Provence, in São Paulo - SP.



# BM SUA CASA



BM SUA CASA ORIGINATES INDIVIDUAL LOANS MAINLY FOCUSED ON MIDDLE CLASS INDIVIDUALS

## ACTIVITY HIGHLIGHTS

Founded in 2007, BM Sua Casa **originates real estate loans** mainly to middle class home buyers, **extending Brazilian Mortgages lending business** through its retail chain consisting of 54 branches and 34 Offices in Brazil.

BM Sua Casa was the **first** in Brazil **to offer 30 year term** loans for home purchase and a pioneer in **providing credit through retail stores**.

## STRENGTHS

**Convenient location**, e.g. shopping centers

**Extended operating hours** and running on **weekends**

**Well-trained own sales team**

Client has **full support** during all the process **by the same salesman**.

## Products

BM Sua Casa

Mortgages for **home** purchase

BM Seu Terreno

Mortgages for **land** purchase

BM Construção

Mortgages for **residential and commercial construction**

BM Office

Mortgages for **commercial** purchase

BM Reforma

Mortgages for residential and commercial **improvement**

BM Crédito Fácil

**Refinancing cash out**

# LOJAS - BM SUA CASA



## Southeast Region

São Paulo (14)  
 Rio de Janeiro (2)  
 Araraquara (1)  
 Barretos (1)  
 Belo Horizonte (2)  
 Cabo Frio (1)  
 Campinas (2)  
 Diadema (1)  
 Franca (1)  
 Guaratinguetá (1)  
 Guarulhos (1)  
 Jacareí (1)  
 Juiz de Fora (1)  
 Jundiá (1)  
 Mogi das Cruzes (1)  
 Macaé (1)  
 Marília (1)  
 Niterói (1)  
 Osasco (1)  
 Piracicaba (1)  
 Praia Grande (1)  
 Ribeirão Preto (1)  
 S. J. do Rio Preto (1)  
 S. J. dos Campos (1)  
 S. B. do Campo (1)  
 Santo André (1)  
 Santos (1)  
 São Carlos (1)  
 Sete Lagoas (1)  
 Sorocaba (1)  
 Taubaté (1)  
 Uberlândia (1)  
 Vitória (1)  
 Votuporanga (1)

## South Region

Apucarana (1)  
 Araçongas (1)  
 Bal. Camboriu (1)  
 Blumenau (1)  
 Brusque (1)  
 Campo Mourão (1)  
 Caxias do Sul (1)  
 Cianorte (1)  
 Criciúma (1)  
 Curitiba (1)  
 Florianópolis (1)  
 Jaraguá do Sul (1)  
 Joinville (1)  
 Londrina (1)  
 Maringá (1)  
 Novo Hamburgo (1)  
 Paranavaí (1)  
 Ponta Grossa (1)  
 Porto Alegre (1)  
 S.J. dos Pinhais (1)  
 Umuarama (1)

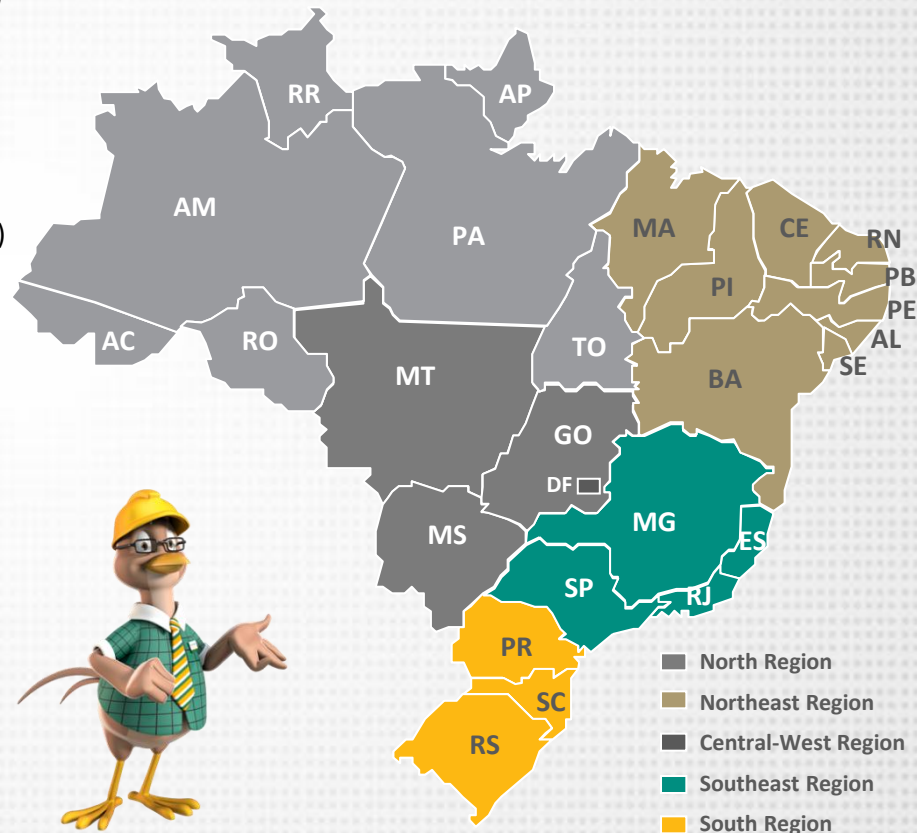
## Central-West Region

Anápolis (1)  
 Brasília (1)  
 Campo Grande (1)  
 Cuiabá (1)  
 Goiânia (1)  
 Rio verde (1)  
 Taguatinga (1)

## Northeast Region

Aracajú (1)  
 Campina Grande (1)  
 Feira de Santana (1)  
 Fortaleza (1)  
 João Pessoa (1)  
 Maceió (1)  
 Mossoró (1)  
 Natal (1)  
 Recife (1)  
 Salvador (3)  
 S.L.do Maranhão (1)

59 Branches and 32 Offices



\*Stores may be located at state capitals or other cities

# BRAZILIAN SECURITIES

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BRAZILIAN SECURITIES HAS AN IMPORTANT ROLE IN THE SECURITIZATION MARKET, CREATING DIFFERENT FUNDING STRUCTURES FOR DEVELOPERS, AND INVESTMENT OPTIONS FOR INVESTORS

## ACTIVITY HIGHLIGHTS

**Independent securitization company** founded in 2000, for the development of the of Mortgage Backed Securities (MBS) market, integrating the real estate and capital markets.

Pioneer in using a subordinate structure (senior and junior tranches) in issuing Mortgage Backed Securities (MBS), and the **deed of trust** (*alienação fiduciária*), the most modern guarantee mechanism in the real estate segment.

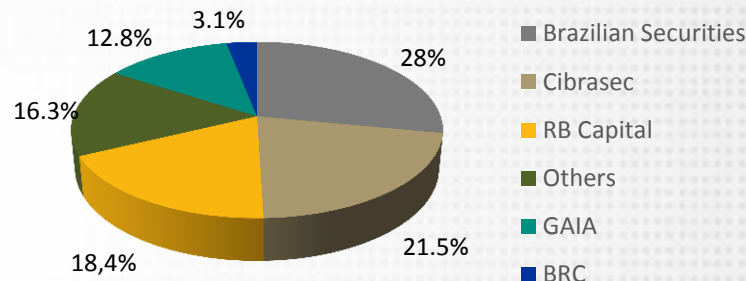
The main product is **Mortgage Backed Securities (MBS)** backed by different receivables:

- Mortgage Receivables
- Under Construction Mortgage Receivables
- Land bank Receivables
- Lease Receivables

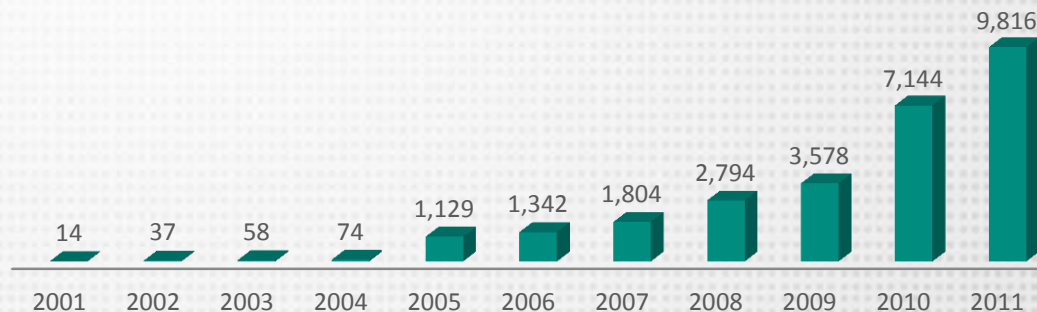
The company has a line of credit from IDB for real estate receivables purchase and further **MBS issuance**.

Rating BB- | A- (bra) atribuído pela **Fitch Ratings**.

## MBS ISSUANCES Market Share (1999 – Dec/2011)



## BRAZILIAN SECURITIES MBS ACCUM. ISSUANCES - R\$ Mn



# BRAZILIAN SECURITIES

## EXAMPLE OF BS's TRACK RECORD

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**2001**

**R\$ 4 Million**

Structured MBS issuance, first securitization using subordinated structure as well as first securitization with Rating ("Moody's")

**2005**

**R\$ 1 Billion**

Structured MBS issuance, backed by 60 retail stores located through the country

**2006**

**R\$ 86 Million**

Structured with Credit Suisse the largest RMBS issuance at the time in the Brazilian market, backed by pulverized credits of Gafisa different projects

**2007**

**R\$ 100 Million**

Structured with ABN Amro Bank the first RMBS issuance in the Brazilian market backed by commercial bank individual mortgages

**2008**

**R\$ 44 Million**

Structured the first performed credits issuance with FGTS\* resources

\* Pension fund of Brazilian citizens employees

**2009**

**R\$ 140 Million**

Structured MBS issuance backed by Purchase and Sale Agreement of Botafogo Praia Shopping and Centervale

**2009**

**R\$ 140 Million**

Structured MBS issuance, backed by a Term Purchase and Sale Agreement of the Eldorado Business Tower in São Paulo

**2010**

**R\$ 92 Million**

Structured MBS issuance, backed by a Term Purchase and Sale Agreement of the Brazilian Financial Center Building in São Paulo

**2010**

**R\$ 310 Million**

Structured MBS issuance backed by BR Properties' lease agreements

**2010**

**R\$ 115 Million**

Structured MBS issuance backed by BC Real Estate Fund I assets' lease agreements

**2010**

**R\$ 1.6 Billion**

Structured the largest CMBS issuance in the Brazilian market, backed by sale-lease back agreements within Oi Group

**2011**

**R\$ 233 Million**

Structured the first MBS issuance backed by individual mortgage assigned by Federal Savings and Loans Banks (CEF), and distributed on its retail branches

# BRAZILIAN CAPITAL

BRAZILIAN CAPITAL STRUCTURED THE FIRST PRIVATE EQUITY INVESTMENT FUND FOR REAL ESTATE ASSETS (FIP) IN THE BRAZILIAN MARKET



## ACTIVITY HIGHLIGHTS

**Brazilian Capital** is a **real estate investment manager**, controlled by Brazilian Finance & Real Estate.

**Investment consulting role** in ten funds comprised of **domestic and international investors** (pension funds, private equity, funds, hedge, and endowments funds – American, Canadian and Asian).

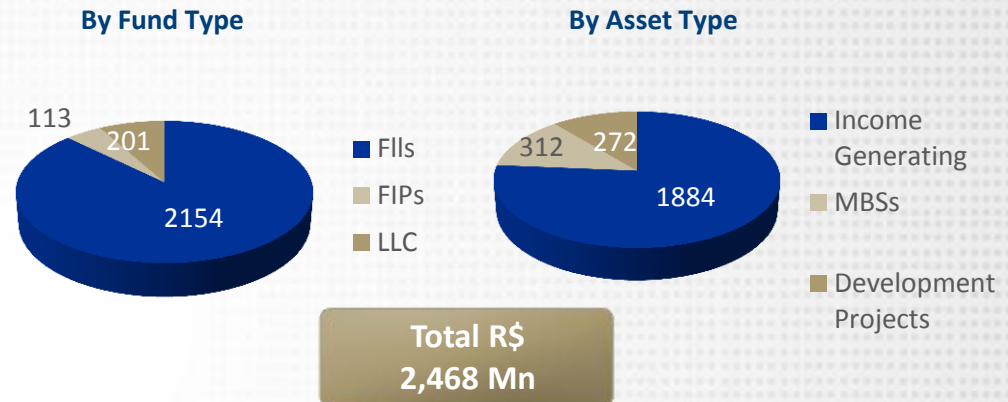
Investment consulting activities include **originating, structuring, closing, managing and exiting investments**.

Investments under management include **residential and commercial** development projects, office buildings, shopping centers, retail stores and industrial assets.

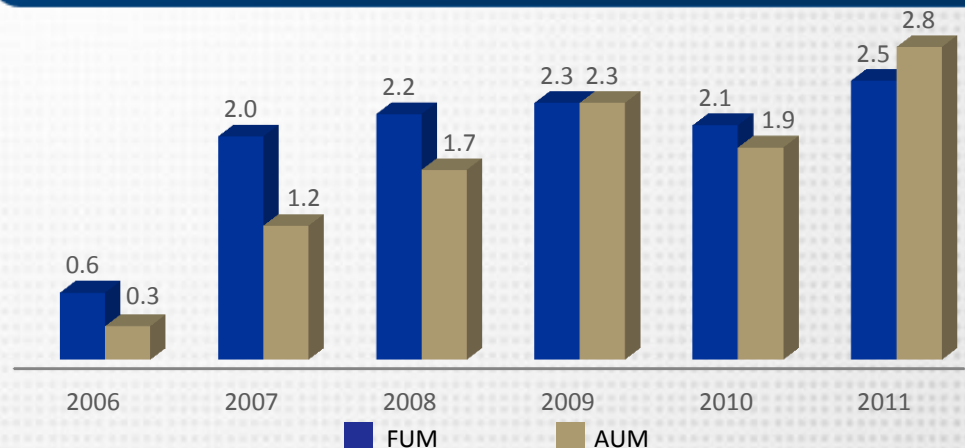
Current **Funds under management** of **R\$ 2.5 billion** which include FII's, FIPs and Direct Investments.

Current **Assets under management** of **R\$ 2.8 billion** which include **commercial properties** (offices, shopping centers, universities, retail stores), **residential and commercial developments**, and **MBSs**.

## Funds Under Management – R\$ Mn – Oct/11



## Funds and Asset Under Management – R\$ Bn



# BRAZILIAN CAPITAL

## EXAMPLES OF BC'S TRACK RECORD AND FUND'S INVESTMENTS



2004/2005

**R\$ 63 Million**

Investment manager for HG Realty BC Investment Funds, jointly with Hedging-Griffo Asset Management



2006

**R\$ 250 Million**

Investment manager for Comercial Progressivo II Investment Fund, comprised of retail stores located throughout Brazil



2007

**R\$ 220 Million**

Investment manager for BFRE Seed Investment in Parque Cidade Project



2007

**R\$ 65 Million**

Investment manager for REIF Hotel Maxinvest, comprised of almost 600 flats, in São Paulo



2009

**R\$ 127 Million**

Investment manager of real estate Investment Fund, comprised of Ed. Castelo, in Rio de Janeiro



2007/08/10

**R\$ 1.5 Billion**

Contribution in the BC Fund I to purchase assets, including:



Source: Company

