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# Did You Hear? New LA Investment Shop Will Target 'Distress'

A Daily Look at the Movers and Shakers in Commercial Real Estate



Carlos Vigon left CBRE to strike out with his own investment firm. (PaxCap Investors)

A new investment shop based in Los Angeles is going to target opportunities usually popular in a recession: distressed assets.

Carlos A.G. Vigon, a veteran broker with CBRE, announced this week he's founded PaxCap Investors. He is backed in the

new venture by Tavaco Capital Management, whose founder, Andrew Tavakoli, is an old-hand at distressed plays.

“I think going forward, in the next 12 months or so, we’re going to see a lot of distress,” Vigon said. “It’s just inevitable.”

The firm is looking to assemble a \$1 billion portfolio in the next few years, and deploy some \$400 million in equity. PaxCap will be looking to team with equity partners for many of its deals, said Vigon.

Although both Vigon and Tavakoli are specialists in Los Angeles multifamily and mixed-used properties, the new firm will look at opportunities across all asset classes, and across the country. They’ll be looking to buy distressed or non-performing loans, foreclosed properties and other troubled commercial assets.

Going after distressed assets became a hugely popular strategy among big investors in the last downturn, as the blow-up in the commercial mortgage-backed securities sector sent thousands of properties into special servicing and foreclosure. Many became bargains for new buyers.

But Vigon noted that PaxCap isn’t looking simply to time the market. Many commercial real estate prognosticators remain bullish on the industry.

“We like our chances if we’re operating in a contrarian

environment,” Vigon said. “If everyone is long [on CRE] we’re looking the other way.”

Often in distressed deals, Vigon explained, the speed with which a situation can be resolved and the discretion involved is as important to a forced seller as price is. A smaller, private shop like PaxCap can actually have an advantage over the Blackstones and Oaktree Capitals of the world, he said.

Vigon expects his shop will close on its first deal in the coming months.

**For additional information go to:  
[PaxCapInvestors.com](http://PaxCapInvestors.com)**