
CBRE Veteran Launches Opportunistic Investment

Firm

Carlos A.G. Vigon partners with Tavaco Capital Management to launch PaxCap Investors, an investment firm focused on opportunistic real estate debt and equity investments.

By Kelsi Maree Borland | September 17, 2019



Carlos A.G. Vigon has partnered with **Tavaco Capital Management** to launch **PaxCap Investors**, an investment firm focused on opportunistic real estate debt and equity investments. Backed by capital from Tavaco, the firm plans to deploy \$400 million in capital to build a portfolio of \$1 billion in assets. According to Vigon, the maturing cycle makes this an ideal time to launch the new firm.

“We are in a prolonged phase of the current cycle, and at some point, it will phase into what is next,” Vigon, who will serve as CEO and founder of the newly formed PaxCap Investors, tells GlobeSt.com. “We both see significant opportunity in looking forward at where it is going rather than being immersed in where it is. That is why we are doing this now.”

While the maturing cycle could mean a rise in opportunistic investment deals on the horizon, Vigon isn't trying to time the cycle. “We don't have any more of an insight to tell us when the market is going to inflect,” he says. “This venture isn't about timing the market. We know that there is always distress in the market, but it is a matter of if it is the dominant influence in the market or an ancillary influence in the market. We have been able to transact and have success in all phases of the market with opportunistic deals. To go into this venture now isn't a departure from what we are already doing.”

In fact, Vigon's investment strategy will ensure that there are opportunities in every market. He will target distressed assets with capitalization and cash flow problems. “We take an inside-out approach to getting to the asset. The asset in our approach is just a support system or collateral for the underlying security,” says Vigon. “That is what we look to, the underlying security for opportunity. In most of these properties there is a typical value-add component. To that extent, we are deeply experienced and capable to execute on the value-add play itself. In many instances, we will solve the ownership and capitalization problem and then offer the property to the market as a value-add deal.”

The company also has the benefit of private capital, which will give it the flexibility to wait for opportunities. “It isn't the common wisdom to look at the market short, and we like where that puts us,” says Vigon. “We don't have any pressure or cash flow

requirement that drives us to transact. That allows us to be patient. We have the ability to bide our time and wait for the right deal.”
