



Palisades Acquires Cross Border Lender

LOS ANGELES, July 19, 2019 – An affiliate of The Palisades Group, LLC (“Palisades”), an alternative asset management firm, today announced the closing of its acquisition of a majority interest in Global Mortgage Group, LLC (“Global”), a cross-border financial services business that provides residential mortgage solutions to U.S. citizens seeking to finance or refinance residential property in resort towns in Mexico.

The purchase of Global, based in San Jose del Cabo, Mexico, provides the Palisades' investment team with direct access to a relatively untapped emerging residential loan market. “The combination of Global's origination capabilities, the demand for vacation and second homes in Mexico by creditworthy U.S. citizens and Palisades' commitment to being a thought leader in niche areas of the residential credit markets is intended to provide our team with another attractive investment product,” said Jack Macdowell, Jr., Managing Member and Chief Investment Officer of Palisades.

Palisades was originally engaged with Global's management team to acquire mortgage loans originated by the lender. “After learning about the lending products offered by Global we quickly initiated onsite due diligence in Mexico to perform a deep dive on the market, get a thorough understanding of any risks, and negotiate a flow purchase and sale arrangement of loans for the benefit of our investment funds,” said Nirvan Ghosh, Partner and Senior Portfolio Manager at Palisades. “After meeting the team in Mexico, it became evident there were significant synergies between the respective teams which led to acquisition discussions with Global's investor group.”

Under the terms of the agreement, Palisades agreed to acquire certain interests from Global's investor group while contributing operational capital in the form of preferred equity. “We are excited to offer the resources of Palisades to help grow Global's lending platform and help bring mortgage credit to select communities throughout Mexico,” said Caleb Reed, Partner at Palisades.

About Global Mortgage Group, LLC

Global Mortgage Group, LLC is a cross border lender offering U.S. citizens residential mortgage products in burgeoning resort towns in Mexico. The company's affiliated non-bank finance company, SOFOM, is licensed to make loans collateralized by properties in Mexico.