

FRESHFIELDS ADVISES AZORA ON INCORPORATION OF BRISA

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Category: [Archive](#)



Freshfields has advised Azora on the incorporation of Brisa, to deploy over €1bn in Spanish build-to-rent sector



Freshfields has advised Azora, Spain's pioneer of purpose-built rented residential assets, on its agreement with a global institutional investor to create BRISA, a new vehicle focused on build-to-rent residential developments across Spain. BRISA's implied total investment capacity will be more than €1 billion and will target the development of more than 8,000 units over the next five years.

Including leverage, BRISA will have an implied total investment capacity of comfortably over €1 billion and will target the development of more than 8,000 units over the next five years. BRISA's strategy will be the same one Azora has implemented since the launch of its first residential vehicle back in 2003, with a primary preference for turnkey projects in long-term strategic collaborations with national and local developers but also complemented by land acquisitions for own-development opportunities, in order to ensure a sizeable and stable rhythm of production of new BTR units. The capital will be deployed across a number of strategic micro-locations in Spain which have been identified as having fundamentals that support purpose-build PRS outperformance. These include locations in and around Madrid, Barcelona, Seville, Malaga, Palma de Mallorca and Valencia, amongst others.

Azora has a track record of over 19 years of investing in the Spanish residential-for-rent sector, having been the first institutional investor to enter the market in 2003, with the launch of its first BTR vehicle. Azora has managed over €2.6 billion of residential assets on behalf its global client base, across seven different platforms and has firmly established itself as the region's leading investment manager in the sector, proving that with the right strategy and professional management it's possible to attract long-term institutional capital to the rental residential space.

Concha Osácar, founding partner of Azora, commented: "There is still an acute shortage of good quality rental housing in Spain, most notably for affordable accommodation targeting middle income earners. BRISA aims to help alleviate that issue through the delivery of more than 8,000 sustainably developed new homes in the most supply constrained micro-locations across Spain over the coming years. The success of this capital raise demonstrates that international investors continue to recognise Azora as a market leader in Spain in general and in the residential sector in particular."

Javier Rodríguez Heredia, Senior Partner of Azora and responsible for the Real Estate Vertical, commented: "Housing is the most important social infrastructure a country has. We're very excited to continue investing in a segment with such a high social impact and which is so important for the wellbeing and development of the younger generations and families in Spain. The affordable rented residential space is key in providing solutions to the real housing needs of this segment of the population, which is having great difficulties in accessing good quality housing and which constitute the social backbone and future of Spain. It's a major challenge which we believe we can address through the collaboration and strategic partnerships with the top Spanish developers."

The team from Freshfields comprised of Alfonso de Marcos (pictured left), Bosco Montejo Alonso (pictured right), Ana Julia García Jiménez, Alfonso Vallés, Javier Sánchez Valiente and Javier Sánchez Ballesteros.

Lazard acted as private placement agent for the fundraise and Freshfields Bruckhaus Deringer and Clifford Chance acted as legal counsel.