



Pathfinder Partners Closes on Two Distressed Apartment Communities

Acquisitions in Seattle, Phoenix Markets Expand Investors Multifamily Footprint

By [Justin Sumner](#), February 14, 2012

Coming on the heels of two Denver-area acquisitions, Pathfinder Partners LLC, a San Diego-based firm focused on distressed real estate assets and defaulted loans, has closed on two multifamily transactions in the Seattle and Phoenix markets.

The acquisitions were completed last month from national banks, and included a \$9.5 million senior note purchase secured by the 29-unit Chelsea Courte II in Kirkland, WA and the 21-unit Shorewood Apartments in Phoenix, AZ purchased from a receiver for almost \$900,000.

"Our focus is on acquiring real estate notes and properties at attractive pricing in desirable communities that will afford us superior returns," said Mitch Siegler, senior managing director of Pathfinder Partners.

Chelsea Courte II is located 15 miles north of Seattle, near the Microsoft, Boeing and Google offices. The property consists of two-bedroom, two-bath condos and includes a 2.3-acre adjacent parcel. Following foreclosure, the buyer intends to refurbish the property and address some deferred maintenance issues, and manage the apartment complex as a rental property, though the buyer admits selling individual units or the entire property in a condo conversion are also possible exit strategies.

Shorewood Apartments is located in uptown Phoenix, just north of downtown and near a light rail station. The property, built in 1960, includes 7 one-bedroom, and 14 two-bedroom units. The buyer intends to upgrade the unit's interior with new kitchens, bathrooms, and washer/dryer units, while maintaining the exterior's "retro" feel.

Pathfinder's recent acquisitions in Denver included Grand Street Mansion, a 23,000-square-foot, historic [office building](#) at a foreclosure sale for \$1.4 million in late December, and 11 unsold condos in the Blake-27 project located in the Ballpark District purchased in January. Since it was started, the firm has amassed notes and properties with original loan balances in excess of \$350 million in more than 30 separate transactions.