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Pathfinder Closes \$57M Opportunity Fund

By [Carrie Rossenfeld](#) July 11, 2012



Siegler says the San Diego-based firm is in the initial planning stages for Pathfinder Partners Opportunity Fund IV L.P.

SAN DIEGO-Pathfinder Partners LLC has closed Pathfinder Partners Opportunity Fund III L.P., the firm's third fund focused on acquiring distressed real estate assets in major markets throughout the western US. The \$57.5-million fund held its initial closing in May 2011 and its final one a year later.

"We have already deployed the majority of the Fund capital—concluding 17 portfolio investments—and are in the initial planning stages for Pathfinder Partners Opportunity Fund IV L.P.," said Mitch Siegler, senior managing director and co-founder of Pathfinder, in a prepared statement.

With an emphasis on multifamily investments, the portfolio for Fund III has several properties in Southern California, Seattle, Phoenix and Denver, as well as in other major markets in the West. Among the Fund's recent investments are Wellshire Arms, a 107-unit apartment complex in Denver; Dorsey Place, a 90-unit condominium project in Tempe, AZ; and the senior mortgage on the Sanctuary, 100-year-old church in Seattle that was converted into a 12-unit, luxury townhome project.

As GlobeSt.com reported earlier this week, George Smith Partners has arranged \$10.9 million in financing on behalf of Bruckal Properties Inc., for the acquisition and rehabilitation of Wellshire Arms. Bruckal is partnering with Pathfinder on the purchase, and Latitude Management Real Estate Investors (formerly known as Legg Mason) was the lender. Pathfinder also recently purchased Le Park Apartments in Long Beach, CA, which it plans to rehabilitate.

"Focusing on smaller properties that are below the radar of large institutional investors, Pathfinder has acquired about \$500 million of distressed notes and properties since its inception in 2006," Siegler continued. "Pathfinder Partners Opportunity Fund III L.P. builds on the company's strong closing track record with lenders and solid reputation among referral sources. Our deal flow is exceptionally strong, and we anticipate deploying the balance of Fund III's capital by the fourth quarter of 2012."