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Pathfinder Partners Opportunity Fund VII, L.P. (the "Fund") has $50,000,000+ in commitments. The Fund will remain open until December 31, 2018.

PATHFINDER'S NEW FUND

PATHFINDER PARTNERS OPPORTUNITY FUND VII, L.P.

$50,000,000+
in commitments

MULTIFAMILY AND RESIDENTIAL VALUE CREATION FUND

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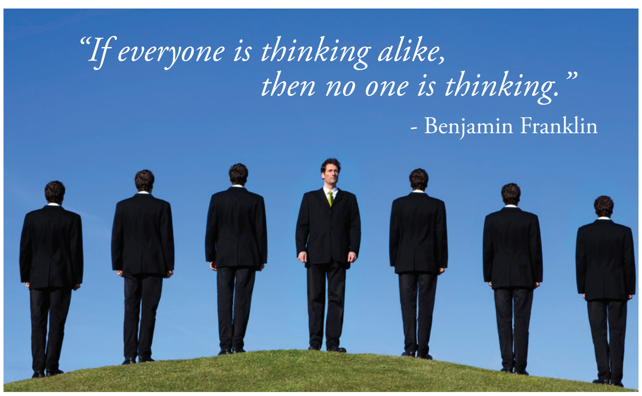

THE FUND WILL REMAIN OPEN UNTIL DECEMBER 31, 2018

ANY OFFERS TO BUY SECURITIES WILL BE MADE ONLY PURSUANT TO A CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM, WHICH WILL DESCRIBE IN DETAIL THE SECURITIES, INVESTMENT STRATEGY, AND RELATED RISKS.

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CHARTING THE COURSE

Taking Stock: Ten Years After the Great Recession

By Mitch Siegler, Senior Managing Director

"History doesn't repeat but it does rhyme." – Mark Twain

This pearl of wisdom is a good way to think about market cycles. While market timing (selling in anticipation of a down cycle – or the reverse) can be a fool's errand, being mindful of where a market is in its natural cycle is valuable. One of the more important recipes for investment success is the ability to recognize warning signs – are investors irrationally exuberant, are prices inflated, is risk elevated, are capital markets frothy? Astute investors don't wait for the bell to be rung – they're sellers (or buyers) before these signs are crystal clear. (Of course, for every investor that times the market brilliantly, dozens sell or buy too early or too late.)

In September 2008, Lehman Brothers filed for bankruptcy, kicking off the melt-down phase of the financial crisis and precipitating a tailspin in equity and real estate markets. During the past decade, asset values skyrocketed, propelled by artificially low interest rates and trillions in Fed bond purchases, quantitative easing and monetary stimulus. While there is no iron-clad rule that limits economic recoveries to ten years, history tells us the odds are stacked against the recovery continuing much longer. (Equity investors may have gotten the memo with the Dow Jones Industrial Average falling more than 1,000 points during Thanksgiving week followed by several 500 to 800-point down days in early December.)

In our many conversations with money managers, lenders, investors and economists, the mood remains decidedly optimistic; despite worries about trade and geopolitics, we're hearing few predictions of an economic recession during the next year. People point to solid economic fundamentals, low unemployment, strong corporate profits and consumer confidence. We remain bullish about our business – value-add apartments –

over the next five to seven years owing to the supply/demand equation being out of whack. As we look around the bend, though, we see more warning lights than six to 12 months ago (and that's before we even consider geopolitical risks, government spending deficits, Washington, D.C. or Twitter).

Whither Interest Rates?

Though the approximately 3.0% yield on the 10-year Treasury is still low, it's roughly double the 2016 level and will head higher as the Fed raises the Federal Funds rate from 2.0%. The Fed's "dot plot" suggests a 3.4% Fed Funds rate by 2020 – based on a rate hike this month and three more rate bumps in 2019. (Spoiler alert: we think the economy may not be quite so strong and the Fed could kick the can on some of those 2019 rate hikes.)

Rising rates are finally giving savers some relief – but many became fatigued by low money market account rates, fundamentally changing their behavior, reaching for higher yield. Many did so by shifting a portion of their bond allocations to stocks, others by investing in private (hard-money) loans to juice returns. Some see these private loans (discussed further below) as a proxy for vanilla bonds but with higher returns. An overarching theme: as asset values have risen during the past decade, investor greed seems to once again be winning the tug-of-war over investor fear.

Sometimes, warning signs are opaque when viewed through the windshield and only clear in the rearview mirror. We've observed recent shifts in credit markets that are worth noting. Two case studies below could provide helpful economic signposts for the road ahead:

Case Study #1 – Direct Lending

On the heels of the financial crisis, banks, regulated by the government and licking their wounds from bad loans during the downturn, pulled in their heels and slashed lending. More than 500 banks were seized by regulators and survivors sought to stay in regulators' good graces. Savvy credit investors organized private/direct lending funds to capitalize on a climate where banks were constrained by limited capital and byzantine regulations. Direct lenders had more freedom to price loans higher to compensate for greater borrower/project risk, insist on lower leverage or add loan covenants for additional security. The direct lending pioneers in 2010-2011 had the market to themselves and enjoyed lucrative returns (10%-12% interest rates with one or two up-front "points" were common).

They had their choice of borrowers since there was a huge hole in the market, created by the banks' capital constraints and extreme regulatory oversight.

Over time, the banks healed and by 2012-2013, bad loans had been cleared from balance sheets and banks were growing again. The innovators were soon joined by imitators and competition intensified, pricing softened, and some lenders loosened their underwriting standards. Today, it's a borrower's market with some private lender rates of 6%-7% (less for larger loans), sometimes with points, sometimes without. Private lender pricing today is much closer to that of the banks. In this environment, some direct lenders are tripping over themselves to win business (reducing rates, offering more lenient terms, dropping covenants).

Consider, too, that today's direct loans are typically floating-rate rather than fixed-rate. While that's great for lenders since interest rates ratchet up in a rising-rate environment, borrowers can get squeezed. That risk, together with covenant-lite loan documents, more lenient terms and a nascent industry with lots of new entrants finding their way at the same time could lead to an avalanche of problems in a downturn.

Not saying direct lending isn't a terrific business – disciplined lenders will do just fine. It really depends on who you lend to, for what purpose and on what terms. Bottom line question: Is the pricing (return) appropriate for the risk? (Or, to quote Warren Buffet, "you only learn who's been swimming naked when the tide goes out.")

Case Study #2– Rising Debt Levels

Looking at credit markets through a wider-angle lens, we've observed several other "canary in the coal mine" signals including:

- **Rising debt** – The ratio of global debt to GDP (Gross Domestic Product or economic output), increased from 179% to 217% from 2007 to 2017, according to the Bank for International Settlements. Much of this spike is in the riskier sectors – leveraged loans (like Collateralized Loan Obligations) doubled from $500 billion in 2008 to $1.1 trillion now, according to S&P.

- **More junk bonds** – Outstanding U.S. BBB-rated bonds (the lowest investment-grade category, aka "junk bonds") are now $1.4 trillion and comprise nearly one-half (47%) of all investment-grade bonds – and up from 35% a decade ago. The amount of CCC-rated bonds, we'll call that sub-junk, is 65% above the peak level of the last cycle.

- **Fewer loan covenants** – S&P reports that $375 billion in covenant-lite loans (representing 75% of all leveraged loans), were issued in 2017. That's nearly four times the $97 billion (29% of total issuance) in 2007.

- **Increasing student loan debt, higher defaults** – Student loans have more than doubled since the financial crisis to $1.5 trillion as the delinquency rate surged from 7% to 11%, according to the *New York Times*.

- **Don't cry for me, Argentina** – In June 2017, Argentina issued $2.75 billion of 100-year bonds despite defaulting on its debts more times than we can count. The offering, of course, was over-subscribed. The initial yield of 7.92% has jumped to 17% in the past 17 months.

So, What Might Cause the Music to Stop This Time?

While every cycle is a bit different, there are certain common characteristics and similar catalysts that bring cycles to an end. Three examples that should trigger flashing yellow lights in your investment sectors of choice:

1. Excessive investor exuberance can be dangerous. When asset prices rise to dizzying heights, exercise caution. *[We've recently seen investors selling shares of high-flying tech companies, bringing about a healthy correction. We've also seen big declines in speculative cryptocurrency and cannabis shares. Most real estate property types and markets have remained solid though we've started to see a few cracks in the façade in several property types and markets.]*

2. When everyone is stretching for yield, beware. *[As noted above, we've seen signs of this in private/direct lending. We're also starting to see the odd speculative condominium development in New York and Miami but these seem more the exception than the rule.]*

3. **Excess capital can lead to poor lending and shaky investment decisions** (think loose lending standards, subprime mortgages and junk bonds). When loan underwriting standards plummet, and capital structures are built on shaky ground, look out below. *[As noted above, bank underwriting standards remain strong and regulatory oversight robust. The banks probably won't be the trigger for the next economic downturn but keep a close eye on alternative, private lenders and junk bonds.]*

Let's Be Careful Out There.

When we launched Pathfinder in 2006, there were warning signs everywhere. Bank underwriting standards were declining and regulators were on holiday. Buyers who couldn't really afford homes used stated income, sub-prime mortgages which were collateralized and sold as securities – and which proved to be anything but secure. Home prices rose on a fundamentally weak foundation. Banks learned their lessons and today are in a strong position with clean balance sheets and prudent underwriting standards. The mortgage market feels healthy and mortgages are available only for those who ought to have them.

On the tenth anniversary of the financial downturn, Pathfinder's posture leans defensive. We've sold lots of assets, are pruning our portfolio of anything other than the very safest properties (value-add apartments), are tightly focusing our investments on a handful of high-growth markets and have added more guardrails (like fixed-rate debt and lower leverage ratios) to our capital structure.

Like Twain, we don't think history will repeat anytime soon. Commercial banks and the housing market are unlikely to be the catalyst for a near-term downturn. But, history could rhyme. Keep an eye on the private lenders and other debt in our economy (junk bonds and student loans). Quoting the watch commander on *Hill Street Blues*, "Let's be careful out there."

Mitch Siegler is Senior Managing Director of Pathfinder Partners, LLC. Prior to co-founding Pathfinder in 2006, Mitch founded and served as CEO of several companies and was a partner with an investment banking and venture capital firm. Reach him at msiegler@pathfinderfunds.com.

FINDING YOUR PATH

Are Millennials Priced Out of the Market?

By Lorne Polger, Senior Managing Director

The Baby Boomer/Millennial housing mismatch is well known: Downsizing empty-nesters won't find buyers, because Millennials want smaller homes or condos in or nearer to the city, not big tract homes in the 'burbs. And younger adults can't afford desirable urban homes and condos because urban housing is ridiculously expensive.

There's another ironic angle to this story. Urban Boomer homeowners, in their quest to fend off both density and rental housing in their neighborhoods, have consistently blocked the construction of affordable housing. Such NIMBYism (not in my back yard) and CAVEism (citizens against virtually everything) have hindered the development of more housing in areas desirable to Millennials. When housing stock is kept low (throughout the economic recovery, we have built dramatically below historic levels), prices climb higher. As a result, younger, less affluent residents, as well as the working and middle classes, are kept out.

Discussions around a lack of affordable urban housing often focus on developers as the villains, but a toxic combination of ineffective policy, lack of foresight, and neighborhood opposition to new housing is a large part of the problem, even in the most liberal-leaning cities. In San Francisco, as an example, the working and middle classes are completely priced out. This is the opposite of what the local politics espouse. But it's not just in the historically pricey Bay Area. Austin, Denver and Seattle, though still more affordable, have seen their housing prices skyrocket. Seattle has had a 155% increase in rents in the last ten years; Denver and Austin are not far behind. Denver's rates have grown 58% since 2010 and Austin's have grown 56% during that time.

So why aren't we supplying enough affordable housing?

Bottom line: We're not building enough housing, period. And it's getting harder to do so, not easier. The basic law of supply and demand applies. More demand and static supply leads to higher pricing. If you don't build the units, there's no possible way to address affordability. So, if the demand is so high, why not build? There are several reasons.

First, land and construction costs have risen dramatically during the past decade. There are typically three primary components on the cost side of the ledger for development; land, construction and interest carry on the debt. While rates stayed relatively low and stable until recently, costs for both land and construction have doubled in some cases. That makes it much more difficult for project economics to work.

Second, entitlement risks, times and costs have increased. Nothing kills the yield on a project more than time. While municipalities like to discuss fast track processes, few have really adopted them. Incentive processes are similarly flawed. It has not been uncommon to see entitlement processes extend through multi-year periods as neighborhood challenges and appeals run rampant (along with legal fees!).

Third, litigation. Many have used state and local environmental laws as a form of legal blackmail; CEQA (the California Environmental Quality Act) provides cover for neighborhood groups opposed to any new developments to take up the plight of the spotted owl, striped salamander or other species. Plaintiff lawyers couched as environmental activists have filed thousands of lawsuits against projects and developers claiming violations of arcane environmental laws. Ironically, those same folks who argue for affordable housing are at the forefront of creating less affordable housing.

For those reasons, profit margins for developers have gotten thinner and thinner, making it more and more difficult to pencil out a market-rate project, much less an affordable one.

In two markets that built significant housing from 2010-2018, Denver and Seattle, rents and home prices are now slowing. Of course, just building more housing isn't enough. If a city only builds upscale units, there's not enough housing for working people (which is what we've been seeing). Many estimates suggest that upwards of 80% of new rental housing stock developed during this cycle has been Class-A, the least affordable.

These challenges are further magnified in a rising interest rate environment. As rates rise, margins get even thinner for developers, and buyers get squeezed on their loan and income qualification requirements. Meanwhile, fewer apartment residents can afford to buy homes, adding further pressure to the demand for apartments. Absent a significant increase in income growth (which we have not yet seen in this recovery), don't expect these trends to change.

How do the trends change?

A national study authored by economists from Harvard and Penn found that from 1983 to 2013 housing wealth increased almost entirely among America's oldest and wealthiest residents. Homeowners saw their homes skyrocket in value in part by limiting new housing supply in their neighborhoods. The study concluded that the primary beneficiaries of restricted housing supply are the owners at the time restrictions are imposed. Further, this was most pronounced in the coastal markets. But Millennials are starting to push against this trend by challenging zoning laws and advocating for more housing in cities across the West. Ultimately, political winds may change the trend. Other shifts on the regulatory front – like moves for rent control – may have unintended consequences since they will further slow development and remove incentives for property owners to improve properties, exacerbating the housing crunch.

Can Boomers and Millennials work together on this issue?

Environmentalism and sustainability can be multi-generational common ground. More people across the demographic spectrum recognize that we need to get folks out of cars, and this means getting as many people as possible to live in or close to cities and use public transport and/or ride-sharing. And that means making those areas more affordable. A lot of urban Boomers are also seeing that their children and grandchildren can't afford to live near them, which may cause the tide to turn a bit. More than a few Californians have exited the state to be nearer to children and grandchildren in lower cost areas.

What can city governments do?

City governments have long provided for payment of in lieu fees instead of requiring the construction of affordable units within a project. While that is not a bad thing from the standpoint of market predictability (which enhances the likelihood of development), and further promotes development since the equity and debt markets don't really love "mixed" projects, there is probably a better mousetrap here.

Markets are efficient. Why not use density bonuses instead so that projects can pencil for developers and still create affordable housing? Allow for building more rentable square footage and less parking (especially in an era of ride-sharing and particularly in transit-oriented areas)? Permitting increased density to provide more units is likely one of the primary drivers supporting more development going forward.

Does the Federal government have a role here?

Housing market participants have experienced both the best and worst of times. In certain markets, while owners have watched their home values rapidly appreciate, buyers have struggled with supply and affordability. But now, the rise in prices, higher mortgage rates, and lack of new home availability may be affecting sales and pricing. The Millennial buyer pool hasn't materialized in size – for many, renting remains less risky. Will Baby Boomers who live off their retirement assets hold out for price or try to sell while they can? We may now have slowly started the transition from an overheated real estate market to one with slower growth.

Congress has generally stayed out of the housing game and left it to local governments. Arguably, that hasn't been a bad thing. But through various incentive-based tax policies, Congress could also encourage more affordable housing.

As populations grow all over the globe, housing supply and affordability will continue to be at the forefront of policy discussion. This issue is not going away.

Lorne Polger is Senior Managing Director of Pathfinder Partners, LLC. Prior to co-founding Pathfinder in 2006, Lorne was a partner with a leading San Diego law firm, where he headed the Real Estate, Land Use and Environmental Law group. Reach him at lpolger@pathfinderfunds.com.

GUEST FEATURE

Shelter from the Storm (Volatility)

By Scot Eisendrath, Managing Director

Volatility is "a statistical measure of the dispersion of returns for a given security or market index", according to Investopedia. It goes on to say, "volatility refers to the amount of uncertainty or risk related to the size of changes in a security's value" and "commonly, the higher the volatility, the riskier the security". To the layman, volatility is like a ship being buffeted by 30´ waves coming from every direction. Not very pleasant, even for those with the very strongest stomachs. Most investors prefer slow and steady, nice stable returns with a ride that is not too bumpy – that is certainly my preference.

Unless you've been living off the grid, you've probably noticed that the financial markets have been quite volatile over the past few months. The Dow is down 500 points one day and up 200 the next. One day it will be up 300 points in the morning, only to end the day down 300 or more. Whether it's the fear over rising interest rates, anxiety over cooling global demand, concerns over tariffs and trade wars with China, worries over commodity prices, or just another 5:00 a.m. tweet from our fearless leader, it doesn't seem to take much to cause the markets to take wild swings in either direction.

According to *The Wall Street Journal*, Deutsche Bank recently reported that 90% of the 70 asset classes they track have negative returns in dollar terms through mid-November, the highest percentage since 1920. As of December 7, the S&P 500 stock index is down 2.3% year-to-date and 9.1% from its high in September. The rate for the 10-year treasury security, a widely followed measure of long-term interest rates, has increased from 2.46% in January to 2.85% as of early December, nearly a 16% increase. Since bond prices and yields move in opposite directions, as rates have moved up, bond prices have fallen. Oil prices have fallen around 30% from a recent high of over $75 per barrel in early October to around $53 per barrel in early December. Speculative Bitcoin, which traded at a high of around $20,000 at the end of 2017, has fallen more than 80% with a recent low below $3,500.

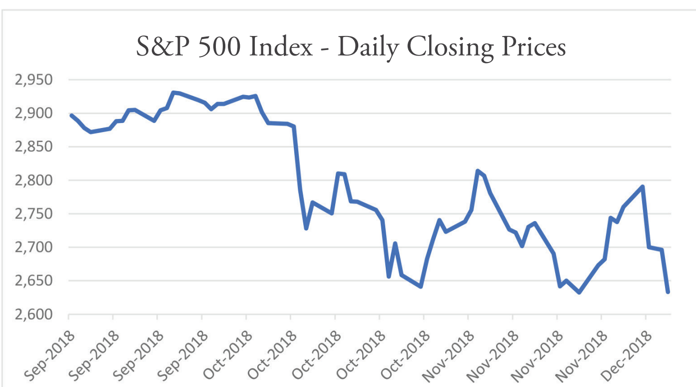
What's a bit odd about the recent volatility is that economic fundamentals remain positive with the economy firing on all cylinders. The national unemployment rate dropped to 3.7% in September, a level not been seen since 1969. We are seeing some meaningful wage growth – year-over-year growth was 2.8% in September. Inflation remains in check, as it is expected to end the year in the low- to mid-2% range. The housing market, while slowing down with continued issues of affordability, is still positive, with the S&P CoreLogic Case-Shiller National Home Price Index, which measures average home prices in major markets across the country, up 5.5% in the 12 months ending in September.

Public markets, such as the stock and bond markets, are supposed to be efficient, but in the short-term they often behave irrationally. One factor at play is the emotional element. People see the market gyrating up and down, get nervous, and head for the exit. Because they are only a few clicks, or a phone call away, it's easy to react quickly without taking a step back. It's one of the reasons that investment advisors urge clients to take a long-term view of investing, and not to try to time the market. The biggest mistake many individual investors make is buying and selling at the wrong time; buying when the market is at a peak because times seem good and selling at the bottom due to fear, even panic.

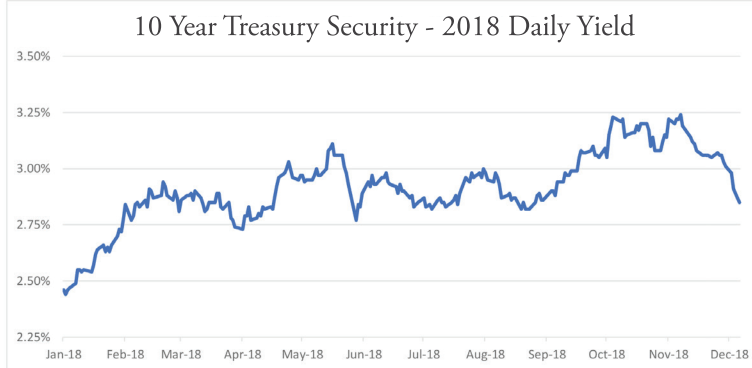
Real estate private equity investments, because of their more illiquid nature, have many benefits in this regard. Values are generally less volatile, because assets can't be sold at the push of a button and you can't check minute-by-minute prices for apartment buildings, for example, on CNBC. Because of the more illiquid nature of these assets, the emotional element is somewhat removed from the equation and investors must focus largely on the long-term fundamentals.

Like buying stocks for the long haul, owning apartments is generally a longer-term, fundamental investment based on macro trends (like population and job growth and desirability of particular cities and neighborhoods) – which don't change at the drop of a hat. The dynamics of apartment investing remain very positive with an extreme long-term supply/demand imbalance and favorable demographic trends, such as Millennials preferring mobility and thus renting over owning. These positive fundamentals don't change overnight, and when you have a five- to ten-year investment horizon, focusing on long-term fundamentals, as opposed to looking at the daily headlines, can be a blessing for your investment portfolio.

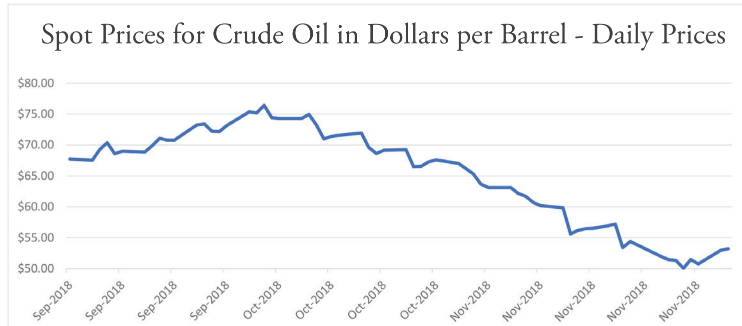
We believe that our strategy – acquiring Class-B apartments, infusing capital to improve them and drive rents and income higher ("manufacturing" income) provides lots of upside along with considerable downside protection relative to other investment strategies. As we approach the ten-year anniversary of the March 2009 bottom in stock prices, we're reminded that market volatility can return at a moment's notice. In such an environment, a long-term orientation with a focus on fundamentals and stripping out the emotional elements can be refreshing and a welcome way to seek shelter from the storm. For the next five to ten years, we think buying Class-B apartments and adding value to them could be a safe harbor offering investors shelter from the storm.



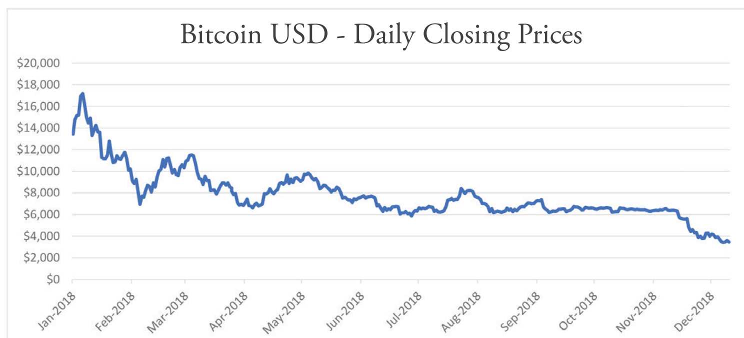
Source: www.yahoo.com



Source: U.S. Department of the Treasury



Source: U.S. Energy Information Administration



Source: www.yahoo.com

Scot Eisendrath is Managing Director of Pathfinder Partners, LLC. He is actively involved with the firm's financial analysis and underwriting and has spent 20 years in the commercial real estate industry with leading firms. He can be reached at seisendrath@pathfinderfunds.com.

ZEITGEIST – SIGN OF THE TIMES

Growth in the 'Burbs

Over the past several years, top urban markets in the U.S. have seen a dramatic increase in the construction of new, luxury apartment buildings. Developers have been flocking to the highest rent districts – i.e. downtown, urban areas – in search of locations where the projected rents can justify the rising construction costs and builders can make a profit. In turn, renters looking for low– to mid– price points have been forced to the suburbs, driving incremental demand and rent growth in those markets.

Urban luxury developments have dominated the headlines this cycle but according to a recent analysis of U.S. Census data by *RentCafé* of the 20 largest U.S. metro areas, about 700,000 new suburban renter households were added in during 2011-2015 versus 600,000 new urban renter households. Suburban areas outpaced urban areas in renter household gains in 19 of the 20 largest U.S. metros studied. During this period, Phoenix had a suburban net renter household increase of 23% and an urban net renter household increase of 14%. Likewise, Seattle had increases of 13% and 8%, respectively.

In Seattle, where cranes have dominated the downtown skyline for the past several years, third quarter 2018 data from *Apartment Insight/RealData* reports year-over-year rent growth in the urban submarkets of Downtown Seattle, Belltown and South Lake Union in the first nine months of 2018 of 1.1%, -1.6% and -2.7%, respectively. Meanwhile, in the suburban Seattle submarkets of Burien, Kent and South King Counties, rent growth during the same period was 7.6%, 5.2% and 5.3%, respectively. This trend is evident in several additional western markets including Portland, Phoenix and Denver.

Home Sales See Cooling Trend

Since the end of the Great Recession, home prices in markets across the U.S. have been steadily increasing with most areas seeing single digit annual price appreciation and some of the hottest cities – including Seattle, San Francisco and Denver – seeing double digit growth. According to recent data from the *Mortgage Bankers Association* and *National Association of Realtors*, sales of existing homes in the third quarter of 2018 were down 2.4% year-over-year as mortgage rates hit their highest levels in nearly eight years (in November, 5.15% for a conventional 30-year fixed loan). As rates rise, many potential buyers – many of whom are currently renting – may stay on the sidelines as home affordability becomes a greater concern.

Move Over Millennials, Gen Z is Entering the Rental Market

The members of Generation Z – those born between 1998 and 2016 – have officially entered the rental market as the oldest portion of the cohort are now out of high school and starting to contemplate moving out of their parents' house. While Millennials dominated the conversation over the past five years, the industry is starting to take note of the next generation of renters and working to understand how to cater to their needs. The stereotypes of the generation range from socially and environmentally conscious to panic-stricken with social-media-influenced anxiety.

So how can apartment owners attract this new generation? According to the property management software company, *Appfolio*, Gen Zer's are looking for more community-based amenities including co-working spaces and DIY creation areas, Uber and Lyft-friendly pick-up and drop-off areas and the ability to easily facilitate deliveries through companies like Amazon and Grubhub. The generation is also known to be more online shopping savvy and is expected to better understand the competitive marketplace and subsequently demand equivalent value for what they're paying. And if your apartment community doesn't offer online rent payment? Expect your building to go the way of the phone booth and DVD player.

TRAILBLAZING: ASTORIA APARTMENTS, FIFE (SEATTLE), WA

A Community of Neighbors

Astoria – Unrenovated Kitchen

Astoria – Renovated Kitchen

Fife – located along the Puget Sound region of Washington – is situated just east of the Port of Tacoma, three miles north of downtown Tacoma and 28 miles south of downtown Seattle. The neighborhood is known for its working class, family-oriented charm – two factors that attracted Pathfinder to acquire Astoria Apartments earlier this year.

Astoria is a 1982-vintage, 125-unit apartment community that spans six acres and includes 12 two-story apartment buildings with a mix of one-, two- and three-bedroom apartments averaging 730 square feet. The area enjoys a high demand for multifamily housing – Tacoma ranked first in the nation for rent growth according to the *Freddie Mac Multifamily 2018 Mid-Year Outlook*. Nearby employment centers include downtown Tacoma, the Port of Tacoma and the Kent Valley industrial hub, the fourth largest distribution and manufacturing center in the country with over 120 million square feet of space.

Astoria provides an ideal living environment for the area's working-class families who can enjoy apartments with private entries, wood-burning fireplaces, private patios and a variety of family-oriented amenities including a resident clubhouse, fitness center, playground, dog park, indoor pet wash station and covered parking. Several parks are within walking distance, the local public high school is located directly across the street and the elementary school is less than a mile away.

Our business plan is to implement professional management, remedy deferred maintenance, install a fence around the property, install new vinyl windows and sliders, repaint the exterior accent colors, install washers/dryers in all units and modernize the unit interiors. We also plan to convert a large concrete pad to a community gathering area and add outdoor furniture and a barbeque island with a trellis.

Nothing shapes a community more than its residents and we look forward to enhancing the quality of life for our tenants at Astoria through our planned renovations.

Tacoma: Did You Know?

The Port of Tacoma:

Ranked in the top 25 for worldwide container trade, the Port of Tacoma is the sixth-largest container-handling port in North America and is responsible for over 29,000 jobs and $3 billion in annual economic activity. The Port has come a long way since the *Edmore*, a commercial steamship, was the first ship to arrive in 1921.

The Tacoma Convention Center Hotel Development:

Supported by Chinese investor Chun Yang, a $150 million convention center and hotel project broke ground in August 2017 in downtown Tacoma. Financed without public subsidy, the project is the largest privately-funded development in downtown Tacoma's history. The first phase includes a 300-room hotel with a 10,000 square foot area to include a grand ballroom and retail space. The second phase includes 200 apartments/condos. Construction is scheduled for completion in 2020.

Tacoma Interesting Facts:

- Tacoma is named after the Indian name for Mount Rainer, Tacobet, meaning "mother of waters".

- With a population of 213,000, Tacoma is the third-largest city in Washington, behind Seattle and Spokane.
- The Seattle-Tacoma-Bellevue area was recently ranked as the fourth-strongest economy in the nation by *Business Insider*.
- Tacoma's 700-acre park, Point Defiance, is one of the largest urban parks in the nation. It is second only to Central Park in New York City.
- In 1927, Irvine Robbins, co-founder of the Baskin-Robbins ice cream stores, began selling ice cream and cottage cheese produced from his father's cows' surplus milk in Tacoma.
- Tacoma is the birthplace of Bing Crosby, famous American actor and singer with more than half a billion records in circulation.

NOTABLES AND QUOTABLES

Fundamentals

"Get the fundamentals down and the level of everything you do will rise."

- Michael Jordan

"Life is really simple, but we insist on making it complicated."

- Confucius

"Success is neither magical nor mysterious. Success is the natural consequence of consistently applying the basic fundamentals."

- Jim Rohn,
American Entrepreneur

"The key to winning baseball games is pitching, fundamentals and three-run homers."

- Earl Weaver,
American baseball player

"First master the fundamentals."

- Larry Bird,
American basketball player

"Simplicity is the ultimate sophistication."

- Leonardo da Vinci

"Champions are brilliant at the basics."

- John Wooden,
College Baksetball Coach

"Without the fundamentals, the details are useless. With the fundamentals, tiny gains can add up to something very significant.". "

- Unknown

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