

Pathfinder Partners Buys Sacramento-Area Property

The 170-unit Rosemont Park, situated 10 miles east of downtown, traded for \$28.8 million.

By Jeffrey Steele



Sacramento West Market Rate More ▾

Rosemont Park, an apartment community in the Sacramento County municipality of Rosemont, Calif., has been acquired by Pathfinder Partners. The 41-year-old, 170-unit property featuring apartments and townhomes sold for \$28.8 million.



Rosemont Park. Image courtesy of Pathfinder Partners

Like most acquisitions the last couple years, the process was very competitive,” Lorne Polger, Pathfinder Partners co-founder, told Multi-Housing News. “We were able to execute based on a long and successful track record of buying assets and working well with different brokerage teams. We’re very aggressive on time frames for due diligence, and very aggressive with deposits. Both factored in to us being chosen as buyer.”

Multiple qualities attracted Pathfinder Partners to the municipality and property. Many San Francisco Bay-area residents are moving to the Sacramento area based on ease of access to San Francisco and its environs. In addition, the company saw the opportunity to execute a value-add strategy that will focus on unit interior upgrades and enhanced amenity offerings.

“This was different from a lot of deals we see,” Polger said. “The seller had done a lot of work on common areas, but areas on which you don’t get a lot of return. Improvements were to windows and balconies, and while needed, they don’t bring a great return . . . This will be a long-term hold for us. So our plan is to renovate all unrenovated units at Rosemont Park. We typically do a fairly significant scope involving new kitchens, new bathrooms and new flooring. My best guess it will be done over the next few years.”

The one-, two-, three- and four-bedroom apartments at Rosemont Park range from 537 to 1,400 square feet in size and average 790 square feet. Among unit features are vinyl plank flooring, resurfaced countertops, dual-pane windows and balconies or patios. Leading the amenity list is a courtyard featuring a community garden.

“This was a deal where the prior owners did some very nice work on common areas, including turning a lightly-used tennis court into a courtyard with community garden,” Polger said. “We kind of like to create community in the properties we buy and renovate. Many of those elements had already been done at Rosemont Park.”

Situated 10 miles east of downtown Sacramento, the Rosemont area appealed to Pathfinder Partners on the basis of its lack of planned apartment community development and the demand for renovated apartment properties.

Additional upsides included proximity to light rail transportation and local city bus routes, as well as access to downtown Sacramento, schools, shopping and area employers such as Verizon, HealthNet, VSP Global, and Aerojet Rocketdyne.