



# PRIVATE EQUITY REAL ESTATE

## Distressed residential and senior housing 'good' opportunities in US

**San Diego-based Pacifica Equity Partners looks to distressed residential deals and senior housing in US sunbelt states.**

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Failed residential projects in oversupplied markets in the US are some of the best opportunities to be found, according to Pacifica Equity Partners managing director Chris Rosenstock.

Speaking to *PERE*, Rosenstock said the private equity real estate and development arm of Pacifica Companies was focusing its investment activities on distressed residential opportunities as well as on the long-term play of senior housing.

He said this was a "good time" to be looking at residential projects where homebuilders had been forced to "walk away" from their projects "because they have failed to hit their sales targets or had been unable to refinance owing to the credit markets".

In some cases, Rosenstock added, "you are buying below the replacement cost. These are the kinds of opportunities that are out there today."

Pacifica, set up by the Indian Israni family, is currently looking for residential investments in sunbelt states and has closed on deals in Florida and San Diego in the past couple of months as well as residential notes throughout California and Nevada. It also invests in Indian real estate through its India Fund I, according to the firm's website. Pacifica also has two other funds, the US Residential Opportunity Fund I and the Pacifica Senior Housing Fund I.

Pacifica is also looking to senior housing in the US, according to Rosenstock, with the managing director adding it was a "very compelling long-term story. Demand is growing every day, yet supply is being impacted by the lack of available construction finance".

In fact, current market conditions – and the slowdown in the real estate markets – was helping to make this an even more "more attractive opportunity", Rosenstock added.

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