

Raith Capital JV Pays \$48M for BTR Asset

By Claudiu Tiganescu

April 28, 2025



Single-Family Rental Finance & Investment News Phoenix More

The Phoenix community came online in 2023.

A joint venture between Tower 16 Capital Partners and Raith Capital Partners has acquired Sanctuary at South Mountain, a 166-unit build-to-rent asset in Phoenix, for \$48 million.

Brown Group sold the property, Yardi Matrix data shows. The community will be rebranded as Obsidian at South Mountain.

Berkadia represented the seller while CBRE assisted in securing debt for the partnership. Starwood Capital Group issued a \$34.8 million note, according to the same data provider.

Carrying the address 6250 S. 40th St., the property is roughly 9 miles southeast of downtown Phoenix. Thoroughfares such as Interstate 10 and U.S. Route 60, as well as several parks and a golf course, are within 3 miles.



Sanctuary at South Mountain's amenity package includes a swimming pool, a pickleball court and walking trails, among others. Image courtesy of Tower 16 Capital Partners

READ ALSO: [What Will 2025 Bring for the SFR/BTR Sector?](#)

Completed in 2023, Sanctuary at South Mountain encompasses single- and two-story cottage-style homes with one- to three-bedroom floorplans averaging 1,104 square feet. Common-area amenities include a swimming pool, gym and clubhouse, among others.

Berkadia Senior Managing Director Mark Forrester and Managing Director Andrew Curtis represented the seller. CBRE Vice Chairs Maxi Leachman and Scott Peterson assisted the partnership in attaining debt financing.

Tower 16 stays bullish on Phoenix

Tower 16 aims to capitalize on new construction and lease-up acquisitions throughout the Southwest, according to company executives. Phoenix stood out as a high conviction market for the firm due to strong demand and job opportunities.

The acquisition marked the firm's 10th purchase in the metro, as well as its 13th in Arizona. In December, [Tower 16 paid \\$46.5 million](#) for the 167-unit Yardly McDowell, which was renamed The Crofton.

Phoenix BTR investment off to a rocky start

Throughout metro Phoenix, investors traded some 1,630 rental homes last year for almost \$285 million, according to Yardi Matrix data. Though fewer units traded in 2023—roughly 750—they commanded a higher figure, about \$310.7 million.

Ongoing [uncertainty regarding trade tariffs](#) may have put a spoke in the Phoenix investment wheel. No BTR sales involving assets of more than 50 units penciled out in the first quarter of 2025, the same data provider shows.

Berkadia, CBRE, Starwood Capital Group, Tower 16 Capital Partners



The latest multifamily news, delivered every morning.

Email address

Subscribe

Most Popular

Top Multifamily Property Management Companies of 2024

The Road Ahead: Senior Housing Trends to Watch in 2025

2024 Top Multifamily Developers

Top 10 Emerging Multifamily Markets of 2025

Why MHCs Will Be Hot in 2025 and Beyond

2024 Top Brokerage Firms

Most Recent



McGrath Finishes Houston Multifamily

May 12, 2025



Charlotte-Area BTR Changes Hands

May 12, 2025



Houston's Multifamily Growth Engine: An Investor's Perspective

May 12, 2025



AIM 2025 Conference

May 11, 2025



AIM Special Report: Methods to Connect With Resident Interests

May 9, 2025



Grace Hill Acquires HelloData

May 9, 2025