

MCA Realty enters Sacramento market with \$10.2 million portfolio purchase



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Seeing the potential for upside in older industrial properties, MCA Realty recently entered the market with a \$10.2 million portfolio purchase of three Sacramento County properties. Principal Tyler Mattox said Sacramento is still relatively affordable and the properties have upside potential.

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By [Ben van der Meer](#) – Senior Reporter, Sacramento Business Journal
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A hot industrial market is mirroring multifamily trends of recent years, with an Orange County investor coming in to scoop up properties perceived as undervalued.

Santa Ana-based MCA Realty Inc. bought a three-property portfolio in unincorporated Sacramento County for \$10.2 million in recent weeks, totaling more than 82,000 square feet.

"These are properties with rents below market and capital needed," said [Tyler Mattox](#), principal at MCA Realty. "Our business plan is to come in and make necessary renovations."

The three properties are:

- 3418-3440 Auburn Blvd. in Arden-Arcade, a 35,400-square-foot building on a 1.84-acre lot, sold for \$4.17 million.
- 4046 Wayside Lane in Carmichael, a 25,156-square-foot building on a 1.49-acre lot, sold for \$3.16 million.
- 4865 Pasadena Ave. in North Highlands, a 23,600-square-foot building on a 1.06-acre lot, sold for \$2.95 million.

All three properties, described as multi-tenant, single-bay buildings, are 100% occupied, according to MCA Realty. Sylva Family Properties is listed as the seller for all three; a message left with Sylva was not returned.

MCA Realty is planning upgrades that include new paint and roofing as well as enhancements to parking. Mattox said what he'd call below-market rents will be adjusted, and the buildings will be better suited for either existing or new tenants.

"This kind of product is much more granular in nature and it needs more oversight," he said, describing them as similar to apartments in that way. They're also a particularly attractive investment size for a company like MCA Realty, rather than institutional buyers that have scooped up newer 100,000-square-foot-plus industrial properties in recent years.

Mattox said he's not concerned about the market cycle for industrial starting to near the end, noting Sacramento is still relatively inexpensive compared to other regions.

"We feel like maybe there's a little more runway there," he said, adding MCA Realty wouldn't rule out buying more local properties, with vacancy below 3% in industrial. "We like the dynamics of that market."

[Matt Susac](#), [Todd Sanfilippo](#) and [Walter Smyth](#) at commercial real estate brokerage CBRE represented MCA Realty as the buyer in the transaction. [Kevin Jasper](#), [Sean Mahoney](#), [Tyler Howell](#) and [Carter Lear](#) at Newmark represented the seller.