



TALONVEST ARRANGES FINANCING OF SELF STORAGE DEVELOPMENT

JUNE 8, 2017

MINI STORAGE MESSENGER BLOG

Talonvest Capital, Inc., a boutique self storage and commercial real estate advisor, recently negotiated \$37.8 million of construction financing for The William Warren Group and \$24.1 million of construction loans for Metro Self Storage. Reflective of the changing market environment, the seven individual loans were funded through four different banking institutions.

The William Warren Group storage developments will consist of approximately 310,000 square feet of climate controlled space on sites in Los Angeles, San Diego, and Orange Counties, CA as well as Scottsdale, AZ. Each Class-A development is in a prime location with good drive-by traffic and excellent visibility. WWG's developments were financed through three separate regional or super-regional banks headquartered in the Midwest, West and Northeastern U.S. All of the loans were structured with four year terms on an interest only basis with limited recourse and extension options. A variety of lending covenants and recourse burn down provisions were the subject of focused negotiation. Tim Hobin, Executive Vice President of William Warren Group, commented "Talonvest's capital market expertise and construction lending knowledge were instrumental in getting us a loan structure that worked." The Talonvest team involved in the financings included Eric Snyder, Kim Leslie, Jim Davies, Tom Sherlock, and Erich Pryor.

Metro's three construction loans were for developments in Chadds Ford, PA and two Chicago suburbs, Naperville and Addison, IL. The financing for the Class A projects, with a combined 236,000+ rentable square feet, totaled over \$24.1 million. Once again, multiple banks were necessary to structure the best possible financing solutions for Metro. An East Coast bank funded the two suburban Chicago properties while a Midwestern based bank financed the Pennsylvania development. Loan structures included four year terms, limited recourse with burn down, heavily negotiated transfer provisions and ongoing loan covenant provisions. Matt Nagel, Chairman of Metro Storage LLC, noted "The construction lending market has changed significantly over the last year making Talonvest's knowledge and relationships even more valuable for us." The Talonvest team that negotiated and structured the loans for Metro included Kim Leslie, Tom Sherlock, and Jim Davies. Davies, a Principal of Talonvest, added, "Our relationship with Metro spans multiple decades and we are grateful for the trust and confidence these industry leaders place in Talonvest".